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UNCERTAINTY TO CONTINUE UNTIL TAXATION RELIEF

Influential Press Reflects Public Demand For Reductions

RAILROAD SAVING

Statements by Sir H. Thornton Indicate an Improvement Which Should Make Lower Levies Possible

The hesitation in business in Canada continues and will continue just as long as the present uncertainty exists as to public expenditure and taxation. It is seldom that the press of the country is so unanimous on a question as are the newspapers, daily and weekly, from coast to coast, on the need for reduction in national expenditure and cutting out of special taxation. The call is not limited to the press but we are beginning to hear it from public men in the various provinces. The government at Ottawa is feeling the pressure from its own friends as much as from the Opposition press.

The London Advertiser, the chief Government supporter in Ontario, in giving a number of press comments, struck by the discontent, says "they are all talking taxes and money," and continues:

"To-day's clippings all speak in terms of taxes. Municipalities and governments, in jest and plain thrust, are warned that the people want to retain a little more of that money. Hence the voices."

The Ottawa Journal emphasizes the favorable position of American taxpayers compared with Canadian:

It may not be pleasant to contrast the relative positions of Canadians and Americans in the matter of the income tax; but it will, at least, be informative. In the case of a married man or woman, having a stated income, the comparison under the Canadian scale is as follows:

Income	Canadian Scale	American Scale
$3,000	$ 40	$ nil
4,000	80	15.75
5,000	120	38.25
6,000	120	72.00
8,000	270	99.00

These voices were transferred into further action when they voted against and defeated another Government candidate—this time in New Brunswick. This evidently was the last straw for a Cabinet Council was hastily assembled and the announcement was officially let out that the Sales Taxes would be made easier and wiser, and where they bore unjustly on business would be removed altogether.

Sir Henry Thornton was evidently inspired to say that the cost of National Railway management would be reduced when he announced an improvement in net income of $18,000,000 this year and forecast a further improvement of $12,000,000 for next year. Sir Henry's statement provides an answer to the question as to how a reduction in taxation can be effected. It has been pointed out that in the United States the tax reduction proposals of Secretary Mellon are based on budget surpluses. With a reduction of railway deficits as he has outlined there should be possible a material saving in the Canadian national budget. If, in addition to the improved railway income, the government will get busy and effect some material retrenchments in departmental administration, as has been done in the United States, there is no reason why something cannot be done for the taxpayers in Canada. This applies particularly to business which must compete with business in the States and the burdening of which results in hard times for all classes. In the United States it is realized that taxation is the public question of paramount importance. Referring to the assemblying of Congress, J. S. Cornwell, writing in the Bache Review, declares that "the headliner in the category of 'welfare business' is passage of the Mellon tax reduction bill; that is practically about all the country wants of this Congress, and if that one single item on the program could be carried into law and the session . . . could be forced to adjourn and go home, it would delight a vast majority of the voters."

A year which has been strenuous industrially and commercially is ending with mixed conditions and the prospect that a further period will be experienced in which there will be keen competition for the business passing and small profits after the taxation and other expenses are met; the new sales tax will tend to increase rather than decrease operating difficulties for many businesses for a time at least.

Germany Buying Less Wheat and More Flour

From Our Own Correspondent.

OTTAWA.—Germany, during November was not a heavy buyer of Canadian wheat having bought only 129.320 bushels, as compared with 43,815,000 bushels by the United Kingdom; but she was the second heaviest buyer of flour, having taken 271,000 bbls., or practically 50 per cent. of all Britain's purchases. Newfoundland, with 64,337 barrels was the third best customer, closely followed by Denmark with 62,392.

Great Reduction in U.S. National Expenditures

From the LINCOLN JOURNAL.

Ten years ago the per capita cost of government in the United States stood at $7.07. In 1917 it reached $11.14 in 1918 it increased to $87.18 and in 1919 it advanced to the staggering total of $146.33. The decline from that point was rapid, going to $47.77 in 1920, to $41.16 in 1921 and to $28.75 in 1922. The reduction in the past year has been slight, the figure standing at $28.17. The per capita cost of government is therefor about 800 per cent. higher than it was ten years ago. These facts explain the popularity of Secretary Mellon's tax reduction program. There is no doubt that the development of the country is being held back materially by the amounts taken out of industry by the tax gatherer.

A RECOVERY IN BUSINESS BEING FORECAST FOR '24

Year Will Come in With Decline But Will Improve

CLEVELAND.—Next year promises to come in with a slight industrial decline and to depart with a general recovery. It probably will be a period of slow business, with severe competition and narrower margins of profit. Conditions between different industries will vary widely, but the average level of activities should not be far from the normal line, or about half way between boom and depression. This forecast for 1924 is presented by the Cleveland Trust Company in its mid-month business bulletin for December.

Since a president is to be elected in 1924, the bank has made an interesting examination of the old tradition that election years are likely to be marked by bad business. It finds that during the past four decades such years have been on the whole less favorable to finance and business than other years. Nevertheless, it is clear that there is no certain rule about the matter, for some of the election years have been times of vigorous recovery and prosperity.

As 1923 draws to a close the prospects for the coming year are such as to instill confidence, rather than enthusiasm. Labor has been fully employed this year and at high wages. At present the number of workers employed by industry is slowly declining, and that decline will probably continue in the first part of 1924. Wages are still high and even rising, but it seems likely that before the middle of 1924 wage reductions will outnumber the advances.

The Cost of Living

The cost of living is still rising, but it is doubtful if that will continue through 1924. The iron and steel industry, the automobile industry, railroad equipment, and building construction, furnished the solid basis for the period of recovery that began in 1921, and reached a peak of prosperity early in 1923. These four industries will almost surely operate in good volume in 1924, but it now seems improbable that any one of them will reach next year the production records that have been made this year.

Interest rates are gradually falling, and they will probably continue to do so. If that happens, bond prices will rise and the volume of bond sales increase. It seems quite unlikely that the present vigorous upward movement in the stock market is the beginning of a true bull market, but it would be quite in accord with precedent if prices should reach lower levels early in the new

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LONDON GETS PART OF CHESTER GRANTS

U. S. Fears Britain Will Get Hold in Turkey if it Does Not Act Quick

London, Eng., bankers have a £5,000,000 syndicate to take up the Chester Concession. It has been formed to develop the first project construction of Sansoun-Sivas railway, which was abandoned by the Ottoman American Co. The latter now fears that if it doesn't soon get some capital, control of all the concessions may soon pass to London. Constantinople reports are that the concession for Anatolian development has also been cancelled. H. G. Knowles, New York, in discussing the position of the U.S. concern in light of the British progress shows considerable uneasiness. He says of Europe's effort to get control of the concessions:—

"European interests which are jealous of the American holdings," he said, "have been exerting political pressure to prevent the United States from getting an industrial foothold in Turkey. They realize that such a link between Turkey and the United States would benefit the Turks and would deprive their own groups of present advantages.

"Aside from their efforts to get the concessions they even have urged their governments and bankers to influence American financial interests to withhold support from present holders of the rights."

HIGHER TARIFFS ON TEXTILES ARE ASKED BY MILLS

Claim Two Cuts in Imperial Preference Are Too Much

SOME MILLS CLOSED

Fight Has Already Commenced and Textile Leaders Intend Making Out Strong Case for Further Protection

From Our Own Correspondent.

MONTREAL.—It seems apparent that the textile companies will give the government a lot to think about between now and budget time, for there is no doubt that upward revisions in the tariff schedule on textiles will be sought. The change that will be demanded will probably be a restoration of the percentages that were cut off the tariff on British woollens by the 1923 and 1922 budgets. Protection to Canadian woollen and cotton mills has also been reduced by trade agreements with many foreign countries, and some consideration in connection with these may also be asked by the heads of the big Canadian mills.

The textile companies are in a position to make out a good case this year, for they have been badly hit in many ways, and many of them are making small profits, or none at all, while some plants—especially in the woollen manufacturers—have been closed down during the year. The textile people have not been minimizing the importance of this state of affairs and most of them have been crying "poor month" all year. But, on the other hand, while many of the companies have had a bad or a spotty year, the textile companies, generally, are in prosperous condition as a result of large business and good profits in the past, and more than one of the commpanies has a huge reserve of strong assets behind every share of stock outstanding.

Their Claim For Consideration

The textile people recall that in 1922 the preference to British countries was increased, so that it became possible for British manufacturers to dump large quantities of cheaply-made goods in Canada—either at cost, or below cost—and thus undermine the market of the Canadian manufacturer. The 1923 budget saw a still further increase in the preference to Great Britain.

The changes in the Imperial preference were of particular importance in view of the fact that most of the textiles imported into Canada come from Great Britain. Great Britain already has substantial advantages over Canada in the manufacture of textiles. Wages are very much lower. Canadian textile mills have to follow closely along the lines of American

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Over $30,000,000 in January Distribution

Over $30,000,000 in dividends and bond interest will be distributed in Canada in January, according to compilations by THE FINANCIAL POST. Dividends account for $15,454,823 and bond interest for $15,637,291; total $31,092,114.

CUT IN C.N. LOSS A DEFINITE HELP FOR LOWER TAXES

Sir Henry Thornton's Prediction of End of Deficits is Comforting

OLD EXCUSE GOING

Politicians Can't Always Blame Railways for Staying Off Taxation Reductions—Sir Joseph Flavelle's Plan

From Our Own Correspondent.

MONTREAL. — Sir Henry Thornton's estimate that the Canadian National Railways will have $18,000,000 left over after paying operating charges this year bears out earlier estimates and indicates the very great improvement that has been recorded in the operation of the lines. The C. N. R. has had a larger percentage of the total available traffic in Canada this year than ever before, and its gross earnings have climbed very rapidly since Sir Henry took control.

Sir Henry went further to state that the operating surplus would be about $30,000,000 in 1924, and if there were no set backs that 1925 would see the end of deficits on the line. This is cheering, for it seems to set a definite goal for the officers of the road to strive for and the country to look forward to. Business men who run their business upon a basis of sound bookkeeping will not be inclined to accept even the payment of all fixed charges as satisfactory, for there have been many advances of various kinds from the Dominion Government that have not all been added to the burden assumed by the lines, although fairly chargeable there. As the deficits have piled up in the past, the fixed charges on these deficits have added themselves on. Thus each year the situation becomes more difficult for the men in charge of the road's affairs. Even when the C. N. R. begins to earn its nominal fixed charges, the country will continue to collect in taxes money needed to pay the interest on debts assumed to pay past deficits.

This thought is thrown in, however, not to discourage any one who looks for a bright future for the C. N. R. nor to slight the excellent work that is being done along many lines by the chairman of the Canadian National Railways, but merely to keep the perspective right.

Sir Joseph Flavelle's Plan

It is, in fact, this colossal top-heavy indebtedness of the railways that is attracting the attention of many leaders in business. It brought Sir Joseph Flavelle's suggestion that past deficits and much of the present heavy capitalization of the line should be wiped out and the line be capitalized upon a basis where it could earn a fair return. And when it is considered that the C. N. R. lines must each year earn several million dollars more than in the previous year merely to pay the interest on the previous year's deficit, it will be seen that his proposition is not altogether unreasonable. But it is hardly likely to be adopted.

But, on the whole, the railway situation in its relation to the taxation problem is becoming more comforting—speaking in a comparative sense only. The fact that the lines will be less of a drain on the taxpayers this

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Evidence of Red Propaganda Which Startled Judge Kelly

Efforts Designed to Destroy the Birthright of Canadian People—Workers' Party in Canada Directed From Moscow

..*"I confess that to one, sitting as I have sat during the course of this trial, it has been no little strain to have suppressed one's feelings when one considers the probable effect of the conduct and action of the defendants, and of those with whom they have been associated, in a promulgation of their objectionable and dangerous doctrines. Canadian born as I am, and loving my country and solicitous for its welfare, I feel that the conduct of those to whom I have referred is intended to injure or destroy the birthright of our Canadian people."*

From comment made by Hon. Mr. Justice Kelly after hearing evidence in a civil case at Port Arthur.

Mr. Justice Kelly got just a little sidelight on the activities of the German-Russian campaign that is going on in Britain, the United States and particularly Canada to create discontent and disrupt the country. This phase of the case was not before him; he was trying a civil case in which these people were charged with illegally securing possession of properties belonging to loyalist institutions at Port Arthur and elsewhere. The defendant society is one of the many subsidiaries directed from Moscow via New York. This branch operated through Ukrainian workers. Mr. Justice Kelly recognized how very dangerous they are to the welfare of Canada. How tremendously more dangerous have been and are the activities of this same crowd operating through the colleges and particularly through the University of Toronto with its young men and young women from all centres of Canada, with their minds at the formative period; and to a lesser extent in the scores of schools which, the evidence showed, have come under control of these disloyal teachings.

It is quite remarkable that while the Associated Press did its duty and gave the press of the country a good report, and while leading papers like the Winnipeg Free Press, Montreal Star, gave space to the press despatch in full, a number of newspapers permitted only a fe wlines or nothing at all to appear. Among those suppressing the full A. P. despatch was the Toronto Star, which some months ago accused THE POST of being in a haunted wood it exposed what was going on at the University of Toronto, and strongly condemned by the loyal students.

From the evidence submitted and allowed by the defendants to go uncontradicted and unexplained it appears:

1. That the Ukrainian Workers' Party of Canada is recognized by the Third International of Moscow, as its direct agent to whom it conveys open instructions published on the front page of the Ukrainian Labor News of March 23, 1923.

2. That the Ukrainian Labor Temple, of Winnipeg, is a body incorporated by Manitoba charter, with apparently unobjectionable objects, but is in reality a corporate body for the purposes of and substantially in fact the Workers' Party of Canada, the same organizers

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Canadian Family Buys $350 From United States

From Our Own Correspondent.

MONTREAL. — Although Great Britain has replaced Canada as the best customer of Uncle Sam, this country's purchases of goods from the United States remain large, and the Canadian market absorbs about fifteen per cent. of the goods exported by the country to the south.

Canada, this year, will purchase about $72 worth of American goods for each man woman and child in this country—an average of over $350 a family.

The United States will purchase about $3 worth of Canadian goods for each person in that country, or about $15 per family. The American purchases will amount to about $40 per capita of the Canadian population. In other words, each Canadian spends about $32 per annum more in the United States than he sells to that country.

PANAMA ROUTE EAST TO BENEFIT B.C. EXPORTERS

Will Also Reduce Prices to Consumer on Coast

Discussing the plan of shipping to British Columbia from Eastern Canada, D. R. Fowler, Sales Manager Canada Foundries & Forgings, Ltd., Brockville, Ont., stated to Hardware and Metal that there was no doubt but that a great deal of hardware would be shipped in this way from now on.

"We sent a shipment on the first vessel and it turned out very satisfactory and on a recent sailing we made considerable shipments. The saving is between two and three cents per pound over less than car lot rates by rail," said Mr. Fowler.

"At the present time we are absorbing the additional packing charges necessary to ship by water, believing that the increased business we will secure on account of the low rate will more than offset our expense in packing. It will certainly result in lower prices on Canadian hardwarde in British Columbia."

An official of a prominent hardware firm in Vancouver, in discussing the subject has given some information which tends to uphold the claim made by B. C. interests for a Canadian Customs official at New York. This official points out that while there is a boat service from Eastern Canadian ports to Vancouver and Victoria, that this service is to date merely an experiment, one cargo only having arrived at the time. On the other hand there were said to be several boats a week sailing from Eastern U. S. ports to Pacific ports, so that a continuous service can be given. According to this official, Canadian manufacturers have been badly handicapped in the past by not having this service available.

British and U.S. Had Advantage

"British and American manufacturers have a decided advantage over Canadian manufacturers in the way of freight," he continued. "This was proved by the first shipment on the 'Margaret Coughlan.' By the use of this boat we were able to buy goods in Canada which previously we were obliged to buy in the United States and England.

"We feel that a Customs Official in New York will be a big help to the Canadian manufacturers in the eastern provinces, and one of the biggest and most important facts is that it allowed the B. C. producer to ship into eastern Canada at all periods of the year at a competitive rate, which is something he has not been able to do before. This fact is really much more important to British Columbia than the western movement."

PULPWOOD DEALS STILL BEING MADE

The Pulpwood Commission Has no Control—If Ante-Dated They Are Illegal

From Our Own Correspondent.

OTTAWA.—As it is understood that some large contracts for the supply of pulpwood to American interests are now being concluded with Canadian wood dealers, the same to extend for as long as ten years, the question is being asked, how will these be affected by the appointment of the Pulp Wood Commission? As some reports also have it that contracts are being dated before June 1st, 1923, this being done to bring them within the order in council exempting such exports for a period of 10 years, the question is being asked, will these hold good?

As the Commission is empowered not only to conduct an inquiry and to make recommendations, it has nothing to do with anything that may be done in the way of contracting for supplies, save that it may include such information in its report.

If contracts concluded after June 1st are being ante-dated, this is, of course, a criminal offence, those doing so being liable to penalties imposable irrespective of whether the Commission or the order in council relating to exports, existed or not.

CHIPPAWA A BIG BURDEN TO THE PAYERS OF TAXES

Surplus Becomes a Large Deficit Under Analysis

DATA ARE LACKING

How Much Should be Added to Cost for Plans Scrapped; for Use of Water and for Taxes?

From Our Own Correspondent.

The Toronto Star has been pointing out that Hydro rates have been subject to many increases to their present level, at which they provide only sufficient income to pay the low rate of interest on the Chippawa development which was financed on the credit of the whole province. It seems, therefore, that those who "look for a reduction in price soon" with the Hamilton Herald, will be subject to disappointment, if power is to be sold at what it really costs.

MONTREAL.—For the first year of operation the Queenston-Chippawa power Development of the Ontario Hydro-Electric Commission, a surplus of $382,601 was shown and wide publicity has been given to this apparent surplus. But it takes no more than a cursory analysis of the figures presented to indicate that the actual loss on the operation of the development was at least $600,000, and if usual bookkeeping methods and proper allowances for water used, taxation, etc., were added, the loss would prove to be about twice that sum.

The hydro commission's figures showed revenue from the sale of power for the year ended October 31 of $4,547,320. Out of this operating charges to an amount of $152,639 were met and interest charges of $4,012,080 were paid. This left the "surplus" of $382,601.

No Allowance for Depreciation

No private company could issue such a statement. A fair rearrangement of the figures given puts them in an entirely different light.

The Chippawa statement, presented on a business-like basis, would read like this:

Revenue	$4,547,320
Less: Operating	152,639
Interest	4,012,080
Depreciation	671,700
Water rentals	275,000
Total deductions	$5,111,419
Actual loss	$ 564,099
Taxes, say	700,000
Loss to taxpayers	$1,264,099

There was no deduction for depreciation of plant. This has been defined

(Continued on page 13)

Grain Shipments Are Far Ahead of Last Year

OTTAWA.—Final returns for the crop movement show that during the period September 1st to December 14th, the receipts of grain at the head of the Great Lakes were 230,405,000 bushels, or 23,588,000 more than during the same time last year. The receipts at Vancouver were 9,533,000 bushels, or 2,241,000 bushels more than during the fall of 1922.

During this time 210,058,000 bushels of grain came down the Lakes or nearly 34,000,000 more than during the fall of 1922.

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Bank Offices Abroad

The Bank of Montreal has old-established banking connections throughout the world. Its own offices in financial centres abroad are situated as follows:

GREAT BRITAIN:	*London*	47 Threadneedle Street, E.C.2 9 Waterloo Place, S.W.1
FRANCE:	*Paris*	Bank of Montreal (France) 6 Place Vendôme
UNITED STATES:	*New York*	64 Wall Street
	Chicago	27 and 29 South LaSalle St.
	Spokane, Wash.	Riverside Ave. & Stevens St.
	San Francisco	British American Bank (Bank of Montreal Auxiliary)
MEXICO:	*City of Mexico*	Avenida Isabel la Catolica No. 40
	Puebla	Avenida Reforma No. 106
	Vera Cruz	Avenida Independencia No. 23

In the West Indies, British Guiana and West Africa, the Bank of Montreal is represented by the Colonial Bank (of London), in which it has an interest.

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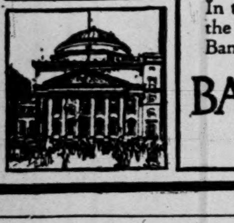

The Bank of Nova Scotia

Established 1832

Capital	$ 10,000,000
Reserve Fund	19,500,000
Total Assets	220,000,000

GENERAL OFFICE—TORONTO, ONT.

J. A. McLEOD, General Manager.

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New York Agency, ... 35 Wall St.

UNION BANK of Canada

Capital	$ 8,000,000
Reserve and Undivided Profits	2,067,074
Total Assets	128,299,679

The Bank's Annual Statement has just been issued and copies thereof are available for anyone, on application, at any branch of the bank.

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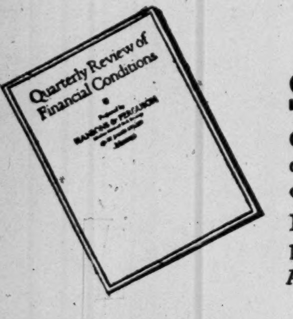

Quarterly Review of Financial Conditions

Special New Year's Review

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CIVIC TRENDS IN ONTARIO

(Ottawa Citizen)

Returns from the municipal elections which were held in Ontario last week disclose some interesting and enlightening results. Perhaps the most interesting, as affording an indication of the trend of public feeling, is that in connection with money by-laws. Only where the expenditure proposed was considered to be unavoidable did the by-laws carry. Where the people could possibly do without the things on which money was proposed to be spent, they voted against them.

Thus, in London, by-laws asking for money to build a new city hall at a cost of $600,000 and to construct a new dam at a cost of $150,000, were rejected by the ratepayers who already shoulder a tax rate of 34.70 mills—6.70 more than Ottawa. St. Thomas rejected a by-law for a new market building and St. Catharines turned down a money measure providing for the erection of a grand stand for its collegiate institute. Money by-laws in other municipalities for various smaller amounts were similarly treated. It is evident that the ratepayers are beginning to economize on their own account, which is scarcely surprising.

EXPORTS OF CARS, FLOUR, PAPER AND PULP IMPORTANT

Flour Was Shipped to Fifty-One Countries During Month of November

MANY TRUCKS SOLD

New High Record in Motor Truck Shipments During the Month — Pulp and Paper Exports at High Level

From Our Own Correspondent.

MONTREAL.—The automobile industry continues to prove one of the most interesting of Canadian industries from an exporting standpoint. Canadian automobile plants shipped out 5,487 automobiles in November. While this was lower than the peak total of 6,257 reached in October it was away above any averages in the past. Possibly the figure of shipments of automobile trucks, which reached 1,580, must be considered as a record for all time.

One of the important features of the month's exports was the large sale of cars to Australia, which in the past has been a large purchaser of Canadian cars, but has also divided its purchases between Canada and the United States.

Out of a total of 1,580 freight autos exported in November, and valued at $555,715, as many as 1,065, valued at $360,402, were sold to Australia, and out of a total of 3,907 pasenger automobiles, valued at $2,120,574, sold by Canada in November this year, 1,314, valued at $440,200, were sold to Australia.

Automobile exports compare as follows:

Automobile Trucks

Total—	No.	
November, 1923	1,580	$ 555,715
October, 1923	1,229	441,300
November, 1922	428	152,073
12 months ended—		
November, 1923	11,136	3,973,032
November, 1922	2,543	1,109,433

Passenger Automobiles

Total—	No.	
November, 1923	3,907	$ 2,120,574
October, 1923	5,028	3,081,157
November, 1922	3,587	2,204,560
12 months ended—		
November, 1923	57,353	29,735,883
November, 1922	31,899	18,872,122

Exports of the Flour Mills

Exports of the milling companies are back again upon a broad basis and incidentally it is gratifying to learn from the heads of some of the important milling companies that the margin of profit to the mills on this export business is better than it was a year ago, or to put it another way, that competitive prices in the export trade are upon a basis that makes this business profitable, whereas during the last fiscal year of the various companies, exporting was done at a low price—sometimes at less than cost of production—for the sake of holding old markets and developing new ones.

In November, Canada achieved a new record in flour exporting by selling wheat flour to no less than fifty-one countries. The total flour sold amounted to 1,357,310 barrels, a big increase over both October, 1923, and November, 1922, as these comparative figures show:

Wheat Flour

Total—	Barrels	
November, 1923	1,357,310	$ 7,107,453
October, 1923	1,155,274	6,147,612
November, 1922	1,214,462	6,504,137
12 months ended—		
November, 1923	11,271,044	63,432,167
November, 1922	8,769,579	52,599,662

November Exports

Exports to—	Barrels	
United Kingdom	544,656	$ 2,754,432
Other British Emp.	174,465	1,011,604
United States	18,979	123,144
Other Foreign Countries	619,210	3,218,273
Total	1,357,310	$ 7,107,453

Pulp and Paper Exports

Total exports of pulp and paper from Canada in November were valued at $12,197,577. This was slightly below the value for October exports, but was an increase of $771,579 over November, 1922.

Exports of paper in November were valued at $8,373,679, and exports of pulp at $3,823,898.

Details for the various grades are as follows:

Paper	Nov., 1923 Value	Nov., 1922 Value
Newsprint	$7,684,709	$6,733,078
Book paper	25,535	16,778
Writing paper	19,392	12,901
Other paper and manufactures	644,043	468,029
Totals	$6,373,679	$7,230,786
Pulp:		
Mechanical	$1,206,940	$ 997,007
Sulphite, bleached	1,091,222	1,074,864
Sulphite, unbleached	765,240	1,205,781
Sulphate	760,496	917,560
Totals	$3,823,898	$4,195,212

Pulpwood exports in November amounted to 68,934 cords, valued at $739,943, which was a considerable decline from the previous month, when the quantity exported was 102,138 cords, valued at $1,078,707.

B.C. Liquor Profits Show Increase in Six Months

VICTORIA.—Profits from the sale of liquor in British Columbia government stores are now a substantial factor in the budget. For the six months ended September 30, 1923, they amounted to $1,402,499, against $1,250,195 in the previous six-months' period, an increase of $152,304, according to figures laid before the legislature by Hon. A. M. Manson, attorney-general.

Liquor profits have totalled $5,642,531 since government control came into force in July, 1921.

Municipalities will receive $466,331 out of the liquor profits for the last six months' period. This is an increase of $50,641 over the amount received by municipalities in the previous six months, when $415,689 was distributed among them. An additional $199,856 will be used to aid hospital and other public institutions.

The total which municipalities in the province have received to date is $1,537,789.

TURNOVER-TAX GROWS IN FAVOR

Dry Goods Trade for Spring and Fall Orders Now Suffers

There is a growing advocacy for a turnover tax to replace the new sales tax. Dry goods men favor it. They would like to see a quick change in the situation, as they say it is retarding business, and has been for the last few months. Spring orders are not so large as last year. Wholesalers and retailers have curbed their buying. It is also predicted that fall orders, usually placed at the mills on the turn of the year, will also fall short, and thus industry will suffer further.

G. W. Hambly, of the wholesale section of Toronto Board of Trade, in reviewing the trade situation for the past year, said:

> Business transacted during 1923 by the wholesale dry goods trade was about on a par with the previous year. Conditions last January had a touch of auspiciousness, but a very late spring retarded the sale of early summer lines. The mild weather during November and December discouraged the sale of winter goods, part of which will be carried over until next fall. The knitted goods trade with both wholesaler and retailer has been below normal. Orders received during the year were more numerous than usual, but of smaller volume, which signifies that the merchant is purchasing carefully and has a comparatively low stock.

WHEAT POOL IS NOT PROVING ATTRACTIVE

Less Than Million Out of Six Million Acres Assured in Saskatchewan

REGINA.—There are still less than a million acres out of the six million, one or more hundred thousand acres which must be secured under contract by the Saskatchewan Co-operative Wheat Producers, Ltd., before a wheat pool for 1924 can be got under way. The directors are working hard and hoped to have most of the acreage signed up during the month of December but farmers are not nearly as ready to sign the waivers as they were to sign the original contracts.

The Farmers' Union, which was instrumental in bringing Aaron Sapiro into the province and whose whirlwind speeches aroused so much enthusiasm that Grain Growers and Farmers' Union members, farmers and business men, lawyers and doctors and politicians, all worked for the wheat board, have now either thrown a monkey wrench into the machinery or have cut the Gordian knot by inviting Sapiro to visit the province again and start another campaign to put the wheat pool across. The president of the Farmers' Union has publicly cast doubts upon the ability of the present wheat pool executive, although two of the five members were selected by the union, and it is understood that the chairman also was elected largely by the support of the Farmers' Union. Meanwhile Saskatchewan farmers are watching vrey closely the operation of the Alberta Wheat Pool. If that is successful, there should be no difficulty in securing enough contracts in Saskatchewan to get the pool going here.

RUSSIA'S WHEAT CROPS

WASHINGTON.—Department of Agriculture reports that autumn seeding throughout Europe is taking place under favorable conditions, and early prospects for the crop of 1924 are above the average. The area seeded in Russia is 12 per cent. greater than a year ago.

LABOR GETS MORE AND CAPITAL LESS

An Interesting Analysis of What Becomes of U.S. Steel Company's Dollar

NEW YORK.—Labor is getting more and more, capital less and less, of United States Steel's dollar. The proportion of the corporation's gross earnings paid to labor shows a constantly increasing tendency with the passage of the years, the proportion accruing to capital showing an equally constant decreasing tendency, according to the Wall Street Journal.

Of every dollar that U. S. Steel received in the six years 1902-07 labor received in wages 30.47 cents, while earnings on stock accounted for 17.52 cents and bond interest 7.52 cents, or a total of 25.04 cents for capital. In the three years 1920-1922 labor's share of each Steel dollar was 43.42 cents, while capital's was only 9.56, divided 3.03 cents to interest on funded debt and 6.53 cents earnings on stock.

Nor does capital actually receive all earnings accrued. Part of that share of Steel's dollar accruing to it goes back into plant and equipment and benefits labor as well. In the 21 years 1902-22 United States Steel earned $1,833,395,828 for it 3,602,811 shares preferred and 5,083,025 shares common stock and paid out dividends of $1,061,225,840, or not quite 58 per cent. of the total earned.

Not only has capital's proportion of earnings on a percentage basis shrunk while labor's has gained, but actual payments to labor have increased over three times in the past three years as compared with the first six, averaging $412,374,187 against $129,619,139, while earnings on stock in dollars, have decreased from $74,545,058 to $61,988,233 annual average in the same periods. This, although gross business of the corporation has more than doubled in that time, going from an annual average of $425,523,187 in 1902-7 to $949,668,500 in 1920-22.

FORD FOR COOLIDGE

Says President Means to Do Right and Will Find a Way

DETROIT.—Henry Ford says that the country ought to make up its mind to the nomination and election of President Coolidge.

"President Coolidge means to do right and when a man means to do right he will find a way to do it," said Mr. Ford.

Business conditions next year will be good if a crazy presidential campaign does not come along and disturb things, in the opinion of Mr. Ford.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

Mauritius has agreed to give substantial preferential treatment to the importation of products of the United Kingdom and of reciprocating British dominions and colonies, except essential foodstuffs.

Norway. In order to balance the budget, Norwegian import duties, except ad valorem rates, are to be collected on the basis of the gold valuation of the crown. This means a considerable increase in the existing rates of duty, on account of the present depreciation of the Norwegian crown (par value, 26.8 cents; exchange value on Dec. 4, 14.86 cents). Import duties have formerly been payable in the currency of the country.

British Guiana. The importation of all livestock from the United States, Great Britain, Ireland, Canada, the Leeward and Windward Islands, Trinidad, Tobago, Barbados, Venezuela, or Brazil is permitted only when the livestock, upon arrival in ports of British Guiana, is examined and certified as free from disease by the government veterinary surgeon or his substitute appointed by the Director of Science and Agriculture. The landing of fodder and manure brought with such animals is prohibited.

Egypt. Import duty on refined sugar imported into Egypt is increased from 8 per cent. ad valorem to 10 per cent.

What Canada Sells—and Buys

What does Canada sell to the various countries of the world? And what does she buy? Poring through government blue books to find this information is a ponderous job for the busy importer or exporter, and to make that unnecessary is the purpose of this series of records of the imports and exports of Canada as regards the important nations we trade with.

All imports and exports are shown where the amount exceeds $100,000, and round figures only are given. The record is based upon the 1923 trade figures. Manufacturers and others interested in foreign commerce are urged to save these compilations, which will run for twelve weeks and cover the principal countries of the world.

Greece

Canada's imports from Greece totalled $500,000 or 0.1 per cent of our total imports. The chief import was:

Currants	$ 400,000

To Greece we sold goods valued at $6,600,000 or 0.7 per cent. of our total exports. Two principal items were:

Wheat	$5,400,000
Flour	1,200,000

Spain

Canada bought from Spain goods to a value of $1,700,000 or 0.2 per cent. of our total import trade and including:

Almonds	$ 400,000
Other nuts	300,000
Wines	200,000
Raisins	200,000
Olives	100,000

Our sales to Spain were $1,000,000 or 0.1 per cent of the total. Important exports were as follows:

Automobiles	$ 500,000
Farm implements	100,000

Turkey

Canada trades with Turkey to a small degree. We bought from Turkey goods valued at $200,000 and sold to Turkey goods valued at $1,500,000. This was 0.2 per cent. of our total exports and included:

Flour	$1,400,000

Mexico

Canada's trade with Mexico has grown rapidly. Our imports from Mexico in the 1923 fiscal trade year amounted to $3,800,000 or 0.5 per cent. of the total and included:

Crude petroleum	$3,200,000
Gasoline	300,000
Coffee	200,000

Our exports were $3,300,000 or 0.3 per cent. of the total. The principal exports were:

Soda and sodium compounds	$1,600,000
Whiskey	600,000
Automobiles	200,000

Other Countries

Canada's trade with other countries that have not already been covered in this record included imports to the value of $6,400,000 and exports to the value of $16,400,000.

The chief imports from other countries were as follows:

From Columbia, coffee	$ 400,000
From Fiji, sugar	500,000
From Hayti, sugar	200,000
From Uruguay, hides and skins	300,000
From Venezuela, sugar	200,000

The principal exports to other countries were as follows:

To Egypt, flour	$ 600,000
To Finland, flour	1,500,000
To Hayti, flour	200,000
To Porto Rice, dried fish	300,000
To Portugal, wheat	300,000
To Russia, flour	800,000
To Venezula, flour	600,000

Next week: United States.

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BRITISH CAPITAL WILL GET PLENTY OF OPPORTUNITIES

Year 1924 Will See Much Advertising of Canada's Resources

BIG EXHIBITIONS

Achievements of the Past in Country Give Thorough Demonstration of the Possibilities of the Future

From Our Own Correspondent.

MONTREAL.—All present events indicate that Canada is seeking British capital more vigourously than at any time since before the war. While at the Imperial Economic Conference, Premier W. I. M. King took the occasion to tell Britishers why they should be ready to invest money in Canada. The year 1923 has seen in addition to this conference the Empire Forestry Conference in Canada which brought the forestry resources of Canada to the attention of influential British capitalists. The year 1924 will see the important British Empire mining conference in London; the World Power conference in London and the British Empire Exhibition at Wembley Park. Each of these will serve to indicate to the British people—as well as to investors in other parts of the world— the many advantages of Canada as a country for the investment of money.

The mining conference will discuss the pre-Cambrian areas of the world. The pre-Cambrian shield contains most of the known mineral resources of the world and Canada, geologically speaking, is 85% pre-Cambrian.

Power Experts to go Abroad

At the power conference Canada will be represented by many of our leading water power experts who will enter the field of discussion not as students but as world leaders in power development.

Canada will be adequately represented at the Wembley Park exposition. The Canadian government, the provincial governments, and the railway companies and other organizations are making preparations to bring out the natural resources and advantages of Canada. One organization will have a huge steel map which will answer almost any questions on the resources of Canada that may be asked. If a business man asks the man in charge of the map where iron ore is to be found in Canada the attendant has but to press a button labelled "iron" and the location of all iron ore deposits as well as foundries and furnaces will be shown by a system of electric signals.

Results are Looked For

It is hoped that out of the year's activities Canada will get many new immigrants and much new capital. Leaders of thought are not overlooking the need for capital in our new-found zeal for immigrants. E. W. Beatty, president of the C. P. R., in a recent speech in Halifax pointed out that Canada suffers from lack of men, lack of capital and, he added, lack of politics. Some of his pointed statements were.

"It must not be forgotten that Canada's wealth is in a great measure confined to its natural resources. Can it be contended, with this great latent wealth lying dormant and contributing nothing to Canada's wealth, we are taking full advantage of the opportunities which nature has given us? Can it be contended that our minerals will be developed, that our forests will be utilized and that our enormous fishing possibilities can be properly exploited and that new industries can be created and present industries extended unless there are men and money available to do it?

"Based upon the achievements of the past, the known quality and variety of its resources, the hopes of the future, we are warranted in considering Canada a land of opportunity and in framing our policies, national and other, confidently, courageously and cautiously, with due appreciation of that opportunity without in any sense mortgaging our future."

Sir Henry Thornton chairman of the Canadian National Railways has repeatedly linked immigration and capital together in discussing Canada's needs. Get the immigrants and capital will follow, seems to be his policy.

Has Already Made Progress

"Canada has made greater progress in the development of her natural resources in a briefer period of time than perhaps any country in history". This statement from "Agricultural and Industrial Progress in Canada" ought to be food for thought for those, who unlike Premier King, Mr. Beatty or Sir Henry Thornton, are pessimistic about the future of their country. This C. P. R. bulletin goes on to say:

"In all of her lavishly-given natural gifts she has achieved a progress that is unprecedented, in mines, forests, farms, fisheries, and furs. And not content with merely exploiting this wealth, she has sought to utilize it to the greater benefit of the country by building up industrial centres, until now the total output of Canadian manufacturing establishments has reached a higher value than that of Dominion farms."

Canadian development in the past, and what is clearly foreshadowed in the future, are the best indications of Canadian stability and assurance of safe and profitable investment.

American investment in Canada is increasing, but this fact should act as a spur to the British investor rather than a deterrent. As a matter of fact, at the end of the present year, the volume of American money in Canada will in all probability, have exceeded that of British. The manner in which the United States has been pouring money into Canada is the best of guides for the British investor. The Republic is adjacent to Canada and in the best position to appraise opportunity. The rapidly increasing Canadian investments of that country indicate an assurance of future prosperity. British interests could not go far wrong in following their example.

Right upon the speech of the Canadian Priemer in England came the news that the Canadian Vickers had purchased the stock, plant and business of the Phoenix Bridge and Iron Works Ltd. "It is an indication of confidence on the part of British manufacturers in the future of Canada," said the general manager of Vickers Ltd., "and the move marks the peacetime recovery of a war-time organization."

The company absorbed is one of the oldest in Canada and the second oldest in Quebec province, and the combination with the service of the numerous English companies, manufacturing almost every kind of industrial or domestic appliance, places Vickers Ltd. in an unique position.

HOW THE RAILWAY WAGE BILLS GROW

An Enormous Total, But Some Reductions Made in Recent Years

From Our Own Correspondent.

OTTAWA.—The following figures show the increase in the annual wages and salaries payments of Canadian railways to their employees in Canada during the last 13 years:

1911	$ 74,613,000	1918	$152,274,000
1912	94,237,000	1919	208,939,000
1913	115,749,000	Calendar year	
1914	111,762,000	1919	233,323,000
1915	90,215,000	1920	290,510,000
1916	104,300,000	1921	247,756,000
1917	129,626,000	1922	233,294,000

The number of employees by years was as follows:

Fiscal year			
1911	141,224	1918	143,493
1912	155,901	1919	158,777
1913	178,652	Calendar year	
1914	159,142	1919	173,728
1915	124,142	1920	185,177
1916	144,770	1921	167,627
1917	146,175	1922	165,635

COURTS MAY UPSET DOUKHOBOR SYSTEM

Member of Community Who Uses Returns From Farm Not a Thief

From Our Own Correspondent.

YORKTON.—It is now over twenty-five years since the colony of Russian Quakers, known as Doukhobors, came to Saskatchewan at the suggestion of and assisted by Count Lyof Tolstoy, who is said to have given the money he received for his popular novel "Resurrection" toward paying their passage. The colony has thrived, but almost from the first there have been a few seceders from the community settlements, independent spirits who preferred the risks and rewards of individualism to the security but rigid discipline of the communities under the firm hand of Peter Verigin, leader of the colony from the first and now the president of the Christian Community of Universal Brotherhood, Ltd., a joint stock company organized in 1917 with a federal charter, and with assets in lands, buildings, saw mills, jam factories, power plants, elevators, etc., estimated at close to three million dollars.

Now for the first time in twenty-five years the colony faces the danger of disintegration through a court decision which has ruled that a member of the colony who sells the grain that he grows on the land he occupies is not guilty of theft if he converts the grain to his own use. It is likely that a civil action for breach of contract will be brought against the accused, four brothers by the name of Ghorkof, by the community. The assets of the community at the present time include in Saskatchewan farm lands and buildings at Verigin and Kylemore valued at $466,195 and town properties valued at $301,300; farm lands in Alberta valued at $334,830, and farm lands and buildings, jam factories, power plants, etc., in British Columbia valued at $1,119,610 and city property valued at $636,000. There are liabilities amounting to $627,241, leaving a balance of assets of $1,637,293. Not so bad, considering they had practically no surplus when they came to Canada.

Real Estate Dealers as Servants of Community

From Our Own Correspondent.

CHICAGO.—Undertaking by the National Association of Real Estate Boards of a program involving the clarification of matters of real estate values, real estate utilization, rental conditions, city building and rebuilding, real estate and general taxation, and the building up in real estate dealing of high business responsibility, and far-seeing service to the community will be the matters of general importance to business development and to the development of bettered living conditions nationally that will come before the meeting of the National Committee of the association to be held in Augusta, Georgia, January 17-19.

Bringing together representatives from the 495 constituent real estate boards of the United States and Canada and representing in their membership of 20,000 not only real estate brokerage but the general interests of ownership in real property, the meeting, constituting practically the annual meeting of the organization, will be the principal gathering of real estate men to be held this year for the formulation of real estate policies and action.

ENGLISH CO. LOCATE SILK PLANT

ST. CATHARINES, Ont.—Announcement was made here by T. F. Farrell, of the Grout Company, Great Yarmouth, England, broad silk manufacturers, that the Canadian plant of the company would be launched in St. Catharines with an initial installation of 100 looms.

BUYING POWER OF WAGES NOW TRADE FACTOR

Is Having an Important Influence on Business in States

NEW YORK. — The large volume of retail sales which has been consistently recorded in all reporting lines recently is a significant indication of the strength of the current demand for consumers' goods, according to the current issue of the Guaranty Survey, published by the Guaranty Trust Company of New York. The fact that this high level of consumption has been maintained despite the industrial recession of the summer and fall is to be taken into account in considering the probable future course of general business.

In 1920, the only period in which sales have approached the level recorded this year, prices were much higher than they are this year; so that it is probably safe to assume that the physical volume of distribution is considerably greater now than it was then.

Reasons for the favorable record of retail trade are apparent. Employment has been at a high level for many months, and although the fear of labor shortage which was noticed in the spring is no longer present, the pronounced recessions in certain branches of manufacturing activity during the last few months have brought about a surprisingly small decline in the number of workers employed.

The situation with regard to wages has been similar. The price declines and reductions in manufacturing output which began last spring, with their inevitable result of curtailment of profits, might have been expected to produce a much greater drop in wage levels than has actually taken place. It has been a notable fact in recent years that downward wage readjustments have been considerably retarded, which upward movements have not shown the lag behind wholesale price increases which was formerly regarded as one of the most characteristic features of the upward swing of the business cycle.

A comparison of recent indices of prices and wages is interesting in this connection. In the last prolonged period of rising prices, which began early in 1922, industrial workers have been in a generally favored position. According to figures compiled by the New York State Department of Labor, which may be regarded as fairly representative of conditions among industrial workers the country over, a lag in the upward movement of factory wages was present, but it was not pronounced; while the proportion of increase in wages was actually greater than the upward price movement as indicated by the wholesale commodity price index of the Bureau of Labor Statistics. The rise in prices from January, 1922, to March, 1923, was 15 per cent., while the rise in wages from April, 1922, to June, 1923, amounted to 16 per cent.

Wage Buying Power

The relative declines in the preceding period make the recent increases even more significant. From May, 1920, to January, 1922, the recession in the general price level was 44 per cent., while from October, 1920, to February, 1922, the decline in wages was only 17 per cent. The level of prices and the level of wages in September, 1923, stood 38 per cent. and 5 per cent., respectively, below the 1920 peaks, and 59 per cent., and 116 per cent., respectively, above the figures for June, 1914. According to the National Industrial Conference Board, the cost of living in the United States is about 63 per cent. higher than in July, 1914.

All these figures point to an unusually high purchasing power of wage-earners in general at the present time, and this purchasing power has apparently increased rather than diminished during the last few months. It is natural that this condition should be reflected in the volume of consumers' purchases.

Contract Valid Though Name Incorrectly Given

From Our Own Correspondent.

NELSON.—That a contract is valid even though the name of a firm is incorrectly given has been declared here in a decision handed down by Mr. Justice Murphy of the Supreme Court.

The action arose over a lumber contract which was secured by Lingle and Johnson, mill owners, of Slocan City. The contract was merely signed "Knox Bros.—J. B. Knox."

A. M. Knox, of Vancouver, the only witness called for the defence, declared that he knew nothing of any firm called "Knox Bros." He and his brother and father, however, comprised the shareholders of "Knox Bros., Limited" with headquarters at Montreal—a company with a federal charter.

Lingle and Johnson claimed $19,000, of which $8,000 was a balance alleged to be owing for lumber supplied and not paid for. The balance was claimed as damages for lumber not taken and alleged to have been sold at a lower price than had been stipulated in the contract.

Mr. Justice Murphy ruled that "Knox Bros., Limited" were liable. He allowed the balance alleged to be owing—$8,000—but cut down the amount of damages to $759 and allowed costs to the plaintiff.

N. B. POTATO CROP

WOODSTOCK, N.B.—The New Brunswick potato yield this year will total 4,666,000 centrals, according to statistics gathered by the Federal Department of Agriculture. According to the latest report, 45,522 acres were sown in potatoes in New Brunswick this year and the yield per acre exceeded that of all the other provinces except British Columbia and Nova Scotia.

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A General Banking and Foreign Exchange Business Transacted.

Banque d'Hochelaga

Forty-ninth Annual Statement

PROFIT AND LOSS ACCOUNT

30th NOVEMBER, 1923

CREDIT

Balance at Credit of Profit and Loss Account, 30th November, 1922		$194,536.44	
Net profits for the year ending 30th November, 1923, after deducting expenses of management, interest accrued on deposits, rebate of interest on discounts, and making full provision for all bad and doubtful debts		$600,121.62	$794,658.06

DEBIT

Dividend No. 128, paid 1st March, 1923	$100,000.00		
" " 129, paid 1st June, 1923	100,000.00		
" " 130, paid 1st September, 1923	100,000.00		
" " 131, payable 1st December, 1923	100,000.00	$400,000.00	
Pension Fund		20,000.00	
Provision for Dominion Government Taxes		85,000.00	
Reserve for Bank premises		50,000.00	
Balance at credit of Profit and Loss Account, 30th November 1923		239,658.06	$794,658.06

A. COURTOIS, Chief Accountant.
BEAUDRY LEMAN, General Manager.
J. A. VAILLANCOURT, President.

BALANCE SHEET

30th, NOVEMBER, 1923

LIABILITIES

Notes of the Bank in circulation	$ 6,256,609.00	
Deposits not bearing interest	9,184,149 46	
Deposits bearing interest (including interest accrued to date of statement)	47,537,579.22	
Balances due to Banks in Canada	1,834.89	
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	558,499.69	
Letters of Credit outstanding	667,329.11	$64,206,001.37
Capital Stock paid in	$ 4,000,000.00	
Reserve Fund	4,000,000.00	
Dividends declared and unpaid	1,466.82	
Dividend payable 1st December, 1923	100,000.00	
Balance of Profit and Loss account carried forward	239,658.06	$ 8,341,124.88
		$72,547,126.25

ASSETS

Gold and current coin	$ 560,116.51	
Dominion Notes	5,448,460.00	$ 6,008,576.51
Notes of other Banks		724,170.00
United States and other foreign currencies		41,531 85
Cheques on other Banks		3,143,754 41
Balances due by Banks in Canada		99,807.28
Balances due by Banks and Banking Correspondents elsewhere than in Canada		540,081.00
Deposit in the Central Gold Reserves		2,500,000.00
Deposit with the Minister of Finance for the purpose of the Circulation Fund		200,000.00
		$13,266,921.05
Dominion and Provincial Government Securities, not exceeding market value	$ 4,484,879.85	
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	5,789,381.84	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	638,210.41	$10,912,472.10
Loans to cities, towns, municipalities and school corporations		2,165,325.77
Call and short (not exceeding thirty days) loans in Canada on Bonds, Debentures, Stocks and other securities of a sufficient marketable value to cover		6,308,356.40
		$32,653,075.41
Other current loans and discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		34,254,537.09
Liabilities of customers under Letters od Credit as per contra		667,329 11
Mortgages on Real Estate sold by the Bank		591,296 08
Real Estate other than Bank Premises		531,392.45
Non-current loans (estimated loss provided for)		160,341.48
Bank premises at not more than cost, (less amounts written off)		3,604,112.69
Other assets not included in the foregoing		85,041.04
		$72,547,126.25

A. COURTOIS, Chief Accountant.
BEAUDRY LEMAN, General Manager.
J. A. VAILLANCOURT, President.

AUDITORS CERTIFICATE

We beg to report to the Shareholders of the Banque d'Hochelaga that we have checked the cash and verified the securities of the Bank at the Chief Office as at 30th November, 1923, as well as at another time during the year, and found they agreed with the entries in the books in regard thereto.

We have also examined the accounts and verified the cash and securities at some of the principal branches during the year.

We have examined the books and accounts at Head Office and have compared the above Balance Sheet with these books and with the certified returns from the branches. In our opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the condition of the Bank as at 30th November, 1923, according to the best of our information and the explanations given us, and is as shown by the books of the Bank.

We have obtained all the information and explanations required by us and in our opinion, the transactions of the Bank which have come under our notice, have been within the powers of the Bank.

Montreal, 19th December, 1923.

S. ROGER MITCHELL, C.A.
of Marwick, Mitchell & Company,
GEO. GONTHIER, L.I.A., C.A.,
of Gonthier & Midgley.
Auditors.

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News and Views for Investors

PROVINCIAL PAPER

The Port Arthur division of the Provincial Paper Mills, Ltd., will double the capacity of the present ground wood mill from twenty to forty tons of ground wood per day, it was announced recently by A. G. Pounsford, general manager.

B. A. OILS

British American Oil advanced from 31½ to 35½ on receipt of better news for the oil concerns. This concern deals in fuel oil and has this field almost to itself in Ontario. The demand for this fuel is growing. It also handles many other lines, and has many service stations in the West.

CAN. INDUSTRIAL ALCOHOL

Canadian Industrial Alcohol dividend has been increased from 4 to 6 per cent. by the after-Christmas declaration of 1½ per cent. for quarter ending December 31, payable January 7, record December 31. The stock, which is of $25 par value advanced from 22½ to 24 on the unlisted section of Montreal Exchange Wednesday.

FORD OF CANADA

Production has started in the new $10,000,000 factory addition of the Ford Motor Co. of Canada, Ltd. The first car off the temporarily constructed line was a new type coupe.

First Ford car ever manufactured in Canada was completed in 1909. During the year, 548 Fords were shipped to all parts of the British Empire.

BRITISH EMPIRE STEEL

It is stated that the British Empire Steel corporation coke department, Sydney, will be busy during the winter on domestic coke, as the demand is growing rapidly. This is good news, as it will provide at least one steady department through specialized effort along new lines. Householders must have fuel under all conditions, and coke is the best fuel available.

HOLT, RENFREW

Holt, Renfrew stock has shown signs of weakness of late. Recently the common made its first appearance since July, when 14 shares sold at 12; the previous sale prior to that was in March, 1920, when it sold at 70. The recent sale of 75 shares at 7 is a decline of 63 points. The preferred in first appearance since February of this year closed at the new low of 30 for a net decline of 30 points.

QUEBEC POWER

Shareholders of the Quebec Railway, Light, Heat & Power ratified a by-law authorizing the creation and issue of general mortgage bonds to the par value of $7,500,000. The votes cast totalled 95,810 shares out of the total of 100,000 shares. The new bonds are associated with the general financing plans of the Quebec Power, the controlling company, but will be used for collateral and not sold to the public.

BRITISH COLUMBIA ELECTRIC

The 10-year agreement between the city of New Westminster and the British Columbia Electric Railway Company, Ltd., regarding the city lighting system is up at the end of the present month. For the purpose of renewing the agreement on favorable terms, Mayor Annandale is gathering data to be presented at a conference between the railway officials and the city authorities. The company has just issued a booklet describing the various units which the company operates.

SOUTHERN CANADA

In the absence of W. C. Hawkins, the president, through illness, Jas. B. Woodyatt, vice-president and general manager, presided at the annual meeting of the Southern Canada Power Co. Mr. Woodyatt reviewed the progress made during the year. Work on the new plant at Hemmings Falls was proceeding satisfactorily, and the company plans to extend the system of transmission lines throughout the coming spring and summer. Mr. Woodyatt also reported on the customer ownership campaign held in October, as a result of which 1,969 customers took up 5,496 shares of preferred stock, bringing the number of shareholders up to over 3,500.

BATHURST COMPANY

A Maritime pulp, paper and lumber enterprise which is understood to have had a good operating year is the Bathurst Co., who recently completed construction of a newsprint mill equipped with one machine of 50-ton daily capacity.

This is the first newsprint mill to be established in the Maritimes, but is expected to be the forerunner of further developments at Bathurst. This newsprint mill, which started operations in August, should add materially to the company's profits, as a connection becomes established and is in fact already believed to have added considerably to current earnings.

Net profits after bond and other interest, but before depreciation, should be over $300,000, as compared with a loss of $96,000 shown in the 1922 report. It is understood that the improvements in the company's lumber business reflect lower operating costs and slightly higher prices for lumber.

FRASER COMPANIES

Lumber business, which during the past 12 months has been enjoying somewhat of a boom as compared with the two preceeding years, is understood to have greatly helped the earnings of Fraser Companies, of Edmundston, N.B., for the current year.

As well as being an important producer of high-grade bleached and easy bleaching sulphite pulp, Fraser is one of the oldest and principal Canadian lumber enterprises. The diversity of the company's output has in the past enabled it to show fairly consistent earnings in good times and bad, and it is believed that although affected by the recent cut in pulp prices, profits from the company's lumber business will enable it to show net earnings, after bond interest and other interest, of an amount well over the million-dollar mark this year, as compared with approximately $300,000 on the same basis for the year ended December 31, 1922.

PACIFIC BURT

Reports are that Pacific Burt may acquire the plants of some competitors. The stock has done better this last month, selling up from 96, Nov. 8, to around 99. The year's high was 106 in June. The company operated on the Pacific Coast, controlling the manufacture of paper boxes through its plants at Emoryville and Los Angeles, Cal., and also operates under American Sales Book Co., Ltd., patents, in ten western states, manufacturing counter check books, etc. Like American Sales Book and F. N. Burt, it is controlled by the Moore group. The latter company was formed in 1909 and is now the largest manufacturer of small paper boxes in the world. It acquired the Canadian business of Carter Crume, Ltd., and the Merchants Counter Check Book Co., Ltd.; Pacific Burt, organized the following year, appears to handle the western field exclusively. F. N. Burt, stock of which is said to be extremely scarce, is now selling below an eight per cent. yield and there are rumours of either a bonus or a dividend increase before long.

IMPERIAL-INTERNATIONAL PETE

Three Canadian Oils show a material price advance following the second increase of 25 cents in the price of crude oil. International Pete moved up from 19¼ to 22⅛; Imperial from 115 to 119 and Mutual from 11⅛ to 13. The rise in Imperial is doubtless due to the big improvement in the position of International Pete, the producing company in which Imperial holds the major portion of the stock. It is stated that a one point rise of the producing company is worth a million dollars to Imperial. International Pete must have been having a difficult time in bringing its oil to the United States market with prices of crude the way they have been. However, of late they seem to have got over that difficulty and have been taking crude from California to Chili. The Improvement in the United States market will be a great benefit to the company and likewise to Imperial.

BANKS ARE SELLING BELOW YEAR AGO

Considering All Bad News of 1923, They Stood Strain Fairly Well

Toronto up 3½ to 176½.
Dominion down 3 to 182.
Hamilton down ½ to 179½.
Imperial down 3 to 175.

The after-Christmas market developed a material weakness in some of the bank issues. A slight weakness would not be out of the ordinary, but in investment circles it is considered somewhat remarkable to see three-point breaks in good stocks at a time when the period of heavy demand for bank stocks for investment is perhaps the heaviest, i.e., the turn of the year.

The banks have been through a rather trying year. The taking care of losses by some of these institutions, and the crash of the Home Bank, caused some nervousness. There have been declines in the market price as a result. In most cases, however, these declines have no more than wiped out the advance in prices which followed the heavy buying of bank stocks during the first couple of months of 1922. The following table of comparative market prices for Dec. 26, 1922, and the same date of this year bears out this statement:

Bank	1922		1923	
	Bid	Asked	Bid	Asked
Commerce	189½	190	183½	184
Dominion	..	193	181	183
Hamilton	..	171½	..	180
Hochelaga	..	145	..	144
Imperial	178	179	173	175
Molsons	..	162	155	157
Montreal	229½	230	236	..
Nova Scotia	253	256	251	..
Royal	206	206½	211½	..
Standard	..	204	168	170
Toronto	..	181¼	176	176½
Union	135	135½	105	..

MARKET ADVANCE ALMOST GENERAL; TRADING IS BETTER

Industrials and Oils on Canadian Markets Follow Lead of New York

BANK SHARES WEAK

Investment Issues Are Not Discounting Possible Heavy Buying on Turn of Year

New York has launched out with a Bull market as a Christmas aftermath. Industrials and oils provided the leadership and a real bouyant market has developed. It did not take this upward swing in Gotham long to make its influence felt on the Canadian exchanges with the result that there was a fairly general activity with a quite consistent show of strength. Papers, oils, and industrials provided the leadership and the volume of business was most satisfactory. In the unlisted sections of the large markets the mines provided an added feature.

Discounting business improvement that the street expects on the turn of the year was responsible for the demand in Industrials. In the oil group a 25% advance in crude oil prices has been announced and this created a heavy trading in this group. This advance is the second in two weeks and places the oil companies in a much stronger position from the profits standpoint.

Rather an unexpected situation for this time of the year are the signs of weakness among stocks regarded as being in the strictly investment class. The turn of the year is generally marked by a faily heavy investment buying. Interest payments are thus absorbed. Bank stocks are one of the leaders in this group and a year ago they enjoyed a substantial period of activity with material price increases. Yet now the bank shares are by no means strong while at least three of the group have shown considerable weakness.

An Interesting Position

Before this after-Xmas rise the market had recovered approximately half the loss sustained in the six months from April to October. Today it is considered to be in an interesting position; neither very high nor very low, where perhaps equally logical arguments can be advanced on either side. There are opposing influences. These are well set forth by the Hayden Stone Co., Boston.

Constructive side:—

A very easy money condition, and every prospect that it will continue. This, however, has all along been one of ease and did not prevent the slump of last summer.

High wages and free spending by the public, as attested by the returns of chain stores and mail order houses.

The large monetary return from crops and a somewhat better balance as between "city" and "country."

Cautious buying with the result that there are no large stocks or danger of inventory write-offs.

Prospect of tax reduction.

Bearish side:—

"Spotty" business condition. Several lines show little profit and a general tendency toward rather more than seasonal curtailment.

Presidential election year dawns.

Excessive labor cost. In many lines this is close to the war peak.

Excess of manufacturing capacity, and the temptation to utilize this, making for temporary overproduction.

As a combination of the last two, a narrowing margin of profit in many manufacturing lines.

The possibility, though rather remote, of increased competition from abroad.

Which Will Prevail

The difficulty is to determine which side is to prevail. The construction side seems to have slipped into early possession of the market and from this point of view there is considerable encouragement to be had from the fact that the Gotham advance was led by the leading industrial group, the Steels with U.S. Steel leading the procession. Then again, the second group in the advance, Oils, are moving on solid ground as pointed out above.

There is just one danger. Is the effort to awaken a feeling of optimism becoming a little "crude"? There is a feeling in some quarters along this line. Hayden Stone make another point that might be applicable here when then point out that annual reports of many companies will soon be coming out. They lay down a general rule for the study of these reports.

"That any company which did not make a good showing in 1923 is very unlikely to do so in 1924. Prehaps the oil companies may be one important exception, as they have had to contend with unexpected and unfavourable conditions this year that are not likely to be repeated next year, but in the large majority of cases this rule will, we believe, hold."

We think the next few months are likely to be more a period of individual readjustment than one of any pronounced general tendency.

One thing can be stated wtih a considerable degree of certainty—underlying conditions are essentially sound and if there is some measure of readjustment, this will simply make conditions all the sounder and afford good buying opportunities.

RAILWAY EARNINGS

Week ending Dec. 21.

	1923	1922	Change
	$	$	$
C.P.R.	4,305,000	3.570,000+	735,000
Can. National		November	+
Gross	24,209,223	23,519,644+	689,570
Op. Ex.	19,627,905	21,570,535—	1,942,630
Net	4,581,318	1,949,109+	2,632,209
		11 months	
Gross	232,159,449	212,886,299+	19,273,150
Op. Ex.	215,556,846	207,114,183+	8,442,663
Net	16,602,603	5,772,116+	10,830,487

Holiday Quiet in the Retail Industries

Trading in metal commodities during the past week, while continuing in fair volume, with briskness in certain lines, has shown the strangling effects of the holiday season coincident with the end of the year.

Merchants are resigned to tapered sales during these few weeks. The taking of inventory keeps buyers from committing themselves to any extent, although it is thought that purchases just before the turn of the year will be brisk, in view of the coming changes in sales tax regulations.

LESS ACTIVITY IN STEEL AND TEXTILES

Lumbering and Construction Industries Show Seasonable Declines for September

From Our Own Correspondent.

MONTREAL.—Condition of business in different classes of industry is revealed by the employment index figures for December issued by the Dominion Bureau of Statistics.

Lumbering and construction show seasonable declines in activity. The textile industry showed further easing off. Iron and steel activity dropped to a marked degree in December. Comparative index numbers, January, 1920, being taken as 100 are given here:

Industry	Dec.1 1923	Nov.1 1923	Dec.1 1922	Dec.1 1921
Manufacturing	88.2	91.2	87.7	79.3
Lumber pro.	88.6	106.2	90.9	76.3
Pulp and paper	102.1	103.9	98.7	89.0
Textile prod.	88.7	89.8	90.7	85.6
Iron and steel	79.2	81.8	78.1	68.3
Other manufacturing industries	92.0	92.1	90.9	85.0
Logging	82.2	62.6	84.7	61.2
Mining	105.9	105.4	102.8	98.0
Communication	106.1	105.3	101.5	103.8
Transportation	113.8	116.8	115.3	106.9
Construction and maintenance	125.2	159.3	122.6	113.2
Services	106.2	108.5	95.8	93.4
Trade	96.8	93.1	97.0	96.3
All industries	95.7	98.8	95.1	87.2

MORTGAGE DISCOUNT PROFITS $64,479

Addition of Profit From Stock Forfeiture Adds Materially to Surplus

Mortgage Discount and Finance net profit for the year ending Nov. 30 was $64,479, as compared with $65,310 a year ago. This year the additional profit of $15,445 was added, the proceeds of stock forfeiture. The surplus account suffered from the campaign against the board carried on by R. T. Scott and Co., and the report shows this to be $7,526. It was written off.

The company has now invested funds totaling $987,932 as compared to $757,460 a year ago. The amount past due is $1,488, which is pointed to by the report with a touch of pride. Mortgage discounts available for profits at maturity total $119,000 as compared with $109,351 a year ago. Preferred dividends were taken care of and $8,060 set aside for income tax and $24,774 added to surplus which now stands at $54,633. In regard common dividends, the report of the president says the auditors advise against common dividends until the reserve offsets deferred assets. The latter stand at $690,905. These are agency agreements paid for by the issuance of common stock, $600,000 and organization expense, less the preferred premium, $90,905. The directors support this view.

Current liabilities stand at $84,879 with current assets of $55,768.

Pres. Sir John Willison says: "The Company's subscribed funds are now fully invested in profit-earning mortgage security. When the balance of the Company's stock is sold and paid for in full, the operating expenses will not be increased and the profits will be proportionately greater."

450 BUS. OF WHEAT FOR SUIT

Tofield, Alberta, Mercury: It is reported that a certain gentleman living in the Lakeshore district has bought a suit of clothes costing 450 bushels of wheat.

Current Events in investment circles

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Favorable Prospects for 1923

SOUTHERN CANADA POWER

	Nov., 1923	Nov., 1922	Increase
Gross Earnings	86,393	77,890	8,503
Oper. Exp.	39,111	34,046	5,065
Net Earnings	47,282	43,844	3,438
	2 Mos., 1923	2 Mos., 1922	Increase
Gross Earn.	167,912	150,224	17,688
Oper. Exp.	77,021	66,916	10,105
Net Earnings	90,891	83,307	7,584

1924 and After

by Lt.-Col. John Bayne Maclean

THE feature article of January 1st issue gives an authoritative presentation of the present day position of our Country and our Government. It points out with characteristic candor and striking directness some of the shortcomings and weaknesses; and gives constructive suggestions which all will want to read.

Other especially prepared articles of a Review and Outlook character appear in the

Jan. 1st MacLean's

Canadian Financial Houses Encourage Small Investor.—J. L. Rutledge

How Are You Building Up Your Estate?—A. M. Allan

And a remarkably informative article by the Editor on the business situation and the outlook, which he entitles

"Let Us Keep Our Tails Up!"

Fact and Fiction Features in the January 1st issue combine to make up one of the most entertaining and important issues that MacLean's have offered for some time. Read—

SAYING "SUCCESS" WITH FLOWERS —Alan Maurice Irwin
BRASS TACKS AND PAINT —Henry Holt
—*Illustrated by Raeburn Van Buren.*
HOW CANADA'S LAST FRONTIER OUTLAW DIED —Chief Buffalo Child Long Lance
—*Photos by the Author.*
BLAZING TRAILS IN B.C.—II. —Noel Robinson
CUPID'S COURSE IN SELLING —W. Michael Edwards
—*Illustrated by Ralph Pallen Coleman.*
NANNIBUTYAH AND THE GOAT —Norma Phillips Muir
—*Illustrated by R. M. Brinkerhoff.*
THE TRAVELER IN THE FUR CLOAK (Serial) —Stanley J. Weyman
—*Illustrated by Dudley Gloyne Summers.*

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THE NET PROFITS BANK COMMERCE LITTLE REDUCED

Increase of Over $21,000,000 in Total Assets

LIQUID POSITION

Well Maintained by Increase in Loans on Government Securities—Savings and Demand Deposits

In view of the conditions affecting the banks which have prevailed during the past year the fact that the Candian Bank of Commerce has been able to show net profits of $2,913,419 for the year ending Nov. 30th, compared with $3,002,455 in the previous year, a reduction of only $89,015 will no doubt be well regarded by the shareholders. The bank was able to pay its 12 per cent. dividend and bonus, $350,000 for taxes, make appropriations for pensions and premises and increase the profit balance by $88,133. Following are comparative figures:

Income Account, Year Ended Nov. 30.	1923	1922	1921
Balance	$2,097,502	$1,946,745	$1,783,979
Profits	2,913,419	3,002,435	3,116,137
	$5,010,921	$4,949,180	$4,900,116
Dividends	1,950,000	1,950,000	1,950,000
Pension fd.	175,286	176,678	178,371
Taxes	350,000	325,000	325,000
Premises	350,000	400,000	500,000
Balance	$2,185,635	$2,097,502	$1,946,945

The earnings report for the past 21 years is summarized as follows:

Year Ending Nov. 30	Profits	% on Capt'l	% on Invest.	Div. Paid
1923	$2,913,419	19.40	9.1	12+1
1922 ...	3,002,435	20.00	9.4	12+1
1921	3,116,137	20.73	9.8	12+1
1920	3,306,244	22.04	10.5	12+1
1919	3,074,893	20.49	9.8	12
1918	2,850,318	19.00	9.5	10+2
1917	2,637,555	17.58	9.0	10+2
1916	2,439,415	16.26	8.4	10+2
1915 ...	2,352,035	15.68	8.8	10+2
1914 ...	2,668,233	18.00	9.3	10+2
1913	2,992,951	19.95	10.5	10+2
1912	2,811,806	19.29	11.6	10+2
1911	2,305,409	21.28	....	10
1910	1,838,065	18.38	....	9
1909	1,510,695	15.10	....	8
1908	1,627,332	16.27	....	8
1907	1,752,349	17.52	....	8
1906	1,741,125	17.41	.....	8
1905	1,376,167	14.44	....	7
1904	1,124,973	12.93	....	7
1903	1,028,509	12.03	....	7

The Balance Sheet

The balance sheet shows a decline of about $5,000,000 in savings deposits but an increase of about $7,400,000 in demand deposits. Total assets are higher by $21,270,000. Thus while there was a reduction of $9,667,000 in current loans in Canada—offset to some extent by a new item of $1,251,00 for non-current loans—there was an increase of nearly $10,000,000 in Canadian call loans and nearly $8,000,000 in current loans outside of Canada. Call loans outside Canada were reduced by $2,542,000. Loans on government securities increased $11,437,000 and on public securities $3,117,000.

The bank's liquid position was well maintained, as will be seen from the accompanying summary.

IMMEDIATELY AVAILABLE LIQUID ASSETS

	1923 $	1922 $	Change $
Specie	12,255,299	15,330,450—	3,075,151
Dom. Notes	30,563,446	31,548,857—	985,411
Note cir. dep.	750,000	750,000	———
Notes, bk.	1,491,348	3,026,758—	1,535,410
Call loans ab'd.	25,796,166	28,353,978—	2,557,812
Bank bal.	524	———+	524
Do., ab'd.	11,771,392	9,228,413+	2,542,979
Gov. sec.	38,096,575	26,659,068+	11,437,507
Cheques	19,911,744	16,218,224+	3,693,520
Gold res.	5,500,000	10,000,000—	4,500,000
For. curr.	1,371,814	———+	1,371,814
	$147,508,308	141,115,748+	6,392,560
% total assets	34.5	34.7—	.2
% total liab to public	37.4	37.8—	.4
OTHER ASSETS			
Public sec.	13,187,500	10,070,402+	3,117,098
Other secs.	7,176,261	7,366,754—	190,493
Call loans	23,990,625	16,997,098+	6,993,527
Current	184,030,021	193,697,729—	9,667,708
Elsewhere	30,385,994	22,535,749+	7,850,245
Over debts	———	409,781—	409,781
Lets of cred.	10,333,456	5,676,139+	4,657,317
Real estate	969,676	725,319+	244,357
Mortgages	173,357	193,798—	20,441
Premises	7,423,712	7,236,612+	187,100
Other assets	124,440	83,546+	40,894
Loans to co's.	825,002	———+	825,002
Non-curr. loans	1,251,001	———+	1,251,001
Total assets	427,379,352	406,108,675+	21,270,677
Total assets	427,379,352	406,108,927+	21,270,677
LIABILITIES TO SHAREHOLDERS			
Circulation	24,926,956	22,725,634+	2,201,322
Dec. dep.	87,903,328	80,505,398+	7,397,930
Savings	243,669,666	248,601,527—	4,931,861
Due banks	1,058,213	754,904+	303,309
Due else.	16,857,255	14,240,664+	2,616,591
Bills pay.	1,840,161	901,946+	938,215
Acceptances	......	5,676,139—	5,767,139
Advances	8,000,000	......+	8,000,000
Lets. cred.	10,333,456	......+	10,323,456
	394,589,035	373,406,212+	21,182,823
TO PUBLIC			
Capital	15,000,000	15,000,000	......
Reserve	15,000,000	15,000,000	......
Dividends	604,681	604,961—	280
Balance	2,185,635	2,097,502+	88,133
	32,790,316	32,702,463+	87,853
Total liab.	427,379,352	406,108,675+	21,270,677

Decline in Employment Noted in November

OTTAWA.——Further contractions in employment were reported to the Dominion Bureau of Statistics by employers of labor at the beginning of December. These losses, which involved the release of approximately 25,000 persons, caused the index number to decline from 98.8 on November 1 to 95.7 at the commencement of the present month. The downward movement repeats that indicated at the beginning of December, 1922 and 1921, although the shrinkage then was less than for the period under review. Employment during the greater part of the year, as may be seen in the accompanying chart, has shown a favorable tendency; the index number, therefore, is slightly higher than on December 1, 1922 and 1921, when it stood at 95.1 and 87.2, respectively.

British Controlled Oils Brings in New Wells

British Controlled Oilfields, head office, Montreal, operating in Buchevacoa brought in five producing wells in November, pending the completion of tank storage and arrangements for shipping a number of wells drilled to within a short distance of the oil sand, and halted. In November six were drilled in. Five are producing on an average over 300 barrels per day each. The sixth has been abandoned, the sand proving unproductive.

Production from other wells has somewhat increased, the total from the field being estimated at 50,000 barrels per month. Other wells are drilling.

In Trinidad, owing to enormous gas pressure, the light drilling outfit proved inadequate and the well has been capped pending the arrival of a new plant. A second well will be drilled.

In Orinoco Delta, well 21 has been brought in and is producing 500 barrels per day and well No. 26 400 barrels per day. The bringing in of these wells is considered of importance to the company inasmuch as No. 21 extends the proven area to the west and north. Well No. 26 is in close proximity to well No. 2 in which oil was struck at a depth of 729 ft. No 26 has tapped deeper oil sand.

WILL DRILL ANOTHER

British Petroleum No. 2 well at Wainwright, Alberta, has been capped and sealed and the derrick and machinery is being dismantled preparatory to removal to another site.

ASSETS OF ROYAL BANK INCREASED TO $538,300,000

Bank Held Profits Close to Previous Year's Figure

SAVINGS INCREASED

Over $35,000,000 More While Demand Deposits $15,000,000 Higher—Current Loans Showed Increase

From Our Own Correspondent.

MONTREAL. — The annual statement of the Royal Bank of Canada shows a soundness and a maintenance of prosperity that is in keeping with the statements of others of the strong Canadian banks that have appeared in the past few weeks. It should create further confidence in both the business and the banking situation and allay any fears that may have arisen in the minds of the general public concerning the soundness of Canadian banks generally by the developments of the year. The statement, issued this week, covering the twelve months ended Nov. 30, does not indicate a profits record equal to that enjoyed during the period of high prosperity a couple of years ago. In fact, profits were slightly lower than in 1922. But following a year of business difficulties that should not be minimized, a year in which many straggling ends of banking accounts were being cleared away and losses taken, the statement is a cheering one. Earnings were $3,909,316 as against $3,958,469 for 1922.

Deposits Greatly Increased

It is in the balance sheet that the most important changes are noticed. Demand deposits have increased from $94,400,000 to $109,500,000. Savings deposits have increased from $277,500,000 to $311,700,000, both evidences of widespread thrift and a healthy confidence in the bank.

The bank's loans show some increase, indicating a small degree of larger activity in business generally. The loans in Canada have gone up from $151,200,000 to $157,700,000. There has been a very decided increase in loans elsewhere than in Canada, seeming to show that the bank's branches in the West Indies have had to loan out much larger sums to care for enhanced business turnover in the communities served by the bank. Current loans elsewhere than in Canada stand at $104,500,000 as compared with $91,200,000.

Reflecting the changes in the bank act passed at the last session rather than any increase in the bank's accounts that are giving concern to the officers of the institution, non-current loans stand at $2,490,000 as against overdue debts in 1922 of $440,000.

Assets Up to $538,000,000

The bank has shown a remarkable increase in assets, the total being $538,300,000 as at Nov. 30 as against $479,300,000 at the same date in 1922.

The following table compares profits and their distribution during the past three years:

PROFIT AND LOSS ACCOUNT

	1923	1922	1921
Profits	$3,909,316	$3,958,469	$4,037,836
Dividends (12%)	2,448,000	2,448,000	2,436,488
Bonus (2%)	408,000	408,000	407,082
Pensions	100,000	———	———
Bank prem.	400,000	400,000	400,000
Tax Reserve	475,000	500,000	203,154
Reserve	———	———	132,995
Surplus	$ 78,316	$ 102,469	$ 358,117
Prev. Surplus	1,007,514	905,045	546,928
Bal. forwd.	$1,085,830	$1,007,514	$ 905,045

In the following table, prepared by THE FINANCIAL POST, to show the relation of net quick assets to liabilities, more detailed figures are given to supplement the round figures already quoted:

IMMEDIATELY AVAILABLE LIQUID ASSETS

	1923 $	1922 $	Change $
Specie	16,946,169	37,003,880—	20,057,711
Dom. Notes	20,446,597	26,932,040+	2,514,557
Note cir. dep.	1,020,000	1,020,000	———
Notes, bk.	2,750,470	2,718,278+	32,192
Call loans ab'd	30,065,208	33,874,831—	3,809,623
Bank bal.	———	2,433—	2,433
Do., ab'd.	22,290,159	27,893,716—	5,603,557
Gov. sec.	28,783,051	22,950,225+	5,832,826
Cheques	24,987,366	20,573,642+	4,413,724
Gold res.	11,500,000	8,000,000+	3,500,000
For. curr.	23,711,773	———+	23,711,737
	191,500,793	180,969,045+	10,531,748
% total assets	35.6	37.7—	2.1
% total liab. to public	38.6	41.5—	2.9
OTHER ASSETS			
Public sec.	15,900,363	7,901,938+	7,998,425
Other secs.	10,436,952	13,462,069—	3,025,117
Call loans	16,307,367	14,735,291+	1,572,076
Current	157,738,786	151,260,688+	6,478,098
Elsewhere	104,487,764	91,232,041+	13,255,723
Over. debts	———	444,747—	444,747
Lets. of cred.	23,226,065	5,326,229+	17,899,836
Real estate	1,734,512	1,521,924+	212,588
Mortgages	387,891	———+	387,891
Premises	13,560,168	12,142,342+	1,417,826
Non-curr. loans	2,496,418	———+	2,496,418
Other assets	329,129	366,052—	36,928
Loans to Comp.	252,346	———+	252,346
	346,857,761	298,393,321+	48,464,440
Total assets	538,358,554	479,362,366+	58,996,188
LIABILITIES TO PUBLIC			
Circulat'n	31,226,542	26,645,903+	4,580,639
Dem. dep.	109,575,138	94,408,079+	15,167,059
Savings	311,759,127	277,595,882+	34,163,245
Due banks	856,887	7,871+	849,016
Due else	14,055,924	11,505,856+	2,550,068
Accept.	———	5,326,229—	5,326,229
Due Govt.	———	17,461,750—	17,461,750
Bills payable	4,744,758	3,574,637+	1,170,121
Lets. of cred.	23,226,065	———+	23,226,065
	495,444,441	436,526,206+	58,918,235
TO SHAREHOLDERS			
Capital	20,400,000	20,400,000	———
Reserve	20,400,000	20,400,000	———
Divdends	1,028,283	1,028,645—	362
Balance	1,085,830	1,007,514+	78,316
	$42,914,113	42,836,159+	77,954
Total liab.	538,358,554	479,362,366+	58,996,188

Imperial Oil drillers outfit at Fabyan, Alberta, which was to be shipped has been unloaded and it is expected they are going to put down another well, taking advantage of the information which has been obtained regarding the field through the British Pete.

STOCK MOVEMENTS OF THE WEEK

WEEK ENDING DECEMBER 24

	Div. Rate	High For week	Low For week	Close Dec. 24	Close Dec. 18	Sales For week	Range for 1923 High	Range for 1923 Low
Banks—								
Commerce	12+1	184	183	183½	183½	108	201	182
Dominion	12+1	185	185	185	185	3	203	184½
Hamilton	1	180	180	180	180	10	190	147
Hochelaga	10	144	144	145	144	45	152	142
Molsons	12	157	155	155¾	157	129	177	154½
Montreal	12+2	239½	236	239½	235	244	248½	225½
Nova Scotia	16	251½	250	251½	254	10	266½	250
Royal	12+2	211	211	211	211	73	223	208
Standard	12	169	169	169	169¼	1	212½	165
Toronto	12	173½	173	173	173	16	192	171¼
Union	8	105¼	105	105⅛	105	49	141	104½
Paper—								
Abitibi, com. (no par value)	4	61¼	60½	61¼	61¼	559	74	56½
Brompton Pulp (no par value)	..	40	39⅜	39⅜	40	295	44	35
Laurentide	6	89⅞	88½	88⅞	89¼	313	103½	85
Price Bros.	2	39¾	39	39	255	40	47	39¾
Prov. Paper, pref	7	93	93	93	92¼	15	98	92
Smith, Howard, com.	6	69	69	69	68½	90	83¼	61½
Spanish River, com.	7	99½	97½	99	99¾	1260	103	82
Do. pref	7	106	104¾	106	106	290	108	94
St. Maurice Paper	6+5	105	101½	104	108½	446	114½	88½
Wayagamack	..	40	38	40	37½	425	60	32
Steel and Steel Industries—								
B.E. Steel, com.	—	4	4	4	4	209	10	3⅛
Do., 1st pref.	7	57	53	57	53	296	73	52
Do., 2nd pref.	..	14¾	13	14½	13	1940	26½	12
Can. Car & Foundry, com	..	35	32	35	32¾	568	35	20
Do., pref.	3½	85	82½	85	83	1103	85	67¼
Dominion Coal	7	81	80	81	80	15	85¼	80
Dominion Iron, pref.	7	55	55	55	55	55	80½	55
Dominion Bridge	4	67½	67½	67½	67½	75	78¼	55
Dom. Steel Corp., pref.	6	71	71	71	71	9	82⅜	70
Steel of Canada, com.	7	74½	73½	74½	73½	1212	79	60¾
Do., pref.	7	100¾	100	100¾	100½	130	103½	95
Milling—								
Canada Bread, com.	..	65	64	64	66	228	66¼	52
Do., pref.	7	94	94	94	93½	12	95	90
Lake of Woods, com.	12	166	166	166	167	1	184½	160
Ogilvie Flour, com.	12+10	307	307	307	308	10	333	270
St. Law. Flour, com.	6	70	69	70	70	165	82	49¼
Utilities—								
Bell Telephone	8	128¼	125½	126	127	568	128	112
Consumers Gas	10	159	158½	159	158½	29	163½	150½
Mackay, com.	7	110½	110½	110½	110½	20	124	105
Do., pref.	4	68	66½	66½	66	30	72½	66
Montreal L. H. & P. Cons.	6	143¼	138½	142½	139½	3667	142	103¾
Montreal Telegraph	8	53	53	53	52½	53	53	46
Ottawa L. H. & Pr.	6	84½	79½	79½	83	35	92½	79½
Quebec Power, com.	..	68	60	68	60	198	70	60
Do., pref.	7	90	90	90	90½	19	91	70
Shawinigan	7	122	121	122	122½	234	123½	112
Transportation—								
Canadian Pacific Rly.	10	149	149	149	150	10	162½	142
Canada Steamships, com.	..	11½	11	11	11	169	19	9¾
Do., pref.	..	40¼	40	40	40	270	56¾	39
Traction—								
Brazilian	4	41	40	40¼	40⅞	913	53	35½
Detroit Un. Rly.	6	69	66¼	69	66½	730	79½	56
Duluth-Superior	..	36½	36½	36½	36	35	44	28½
Illinois Traction, com.	50c	64	64	64	64⅝	145	64⅜	35
Montreal Trans.	10	155	155	155	150	140	159	140
Porto Rico Rlys, com	..	15	15	15	16	65	30	15
Quebec Rly.	..	15¾	15¾	15¾	15	187	27¼	15
Toronto Railway	..	82	81⅞	82	82	75	93	73¾
Twin City, com.	6	66	65½	66	66	56	80	58
Winnipeg Elec., com	..	28	26½	26½	27¼	366	42½	26½
Do., pref	7	81	80¼	81	85	35	87¼	80
Textiles—								
Can. Converters	7	82	81	81¾	82	65	103	79
Can. Cottons, com.	8	110⅛	109	110½	102	215	137	98
Do., pref.	6	91	90	90	83	42	93	83
Can. Woollens, com.	..	7	7	7	7	270	20	6
Do., pref.	..	36	36	36	37	750	65¼	36
Dom. Textile, com.	4	63⅛	62⅞	63	63	65	72	61⅛
Do., pref	7	108	108	108	109	10	112	106¼
Monarch Knitting, pref.	7	80¼	80¼	80¼	81½	1	82½	70
Penmans, com.	8	150	145	150	146	317	165½	127¾
Do., pref.	6	96¼	95½	95¾	96	15	99¼	92
General Industrials—								
American Salesbook, com	$1.00q	42½	42½	42½	44¼	5	44½	34
Do., pref	7	90	90	90	90	12	93	86⅞
Asbestos, com.	4	30	29	29	28	30	72½	25
Do., pref.	6	60	59¾	60	60	102	91	57
Atlantic Sugar, com.	..	19	17½	19	18	983	27½	14½
Do., pref.	..	39	38¼	38¾	39⅛	661	48	34¼
Burt, F. N. com.	10	129¼	129¼	129¼	130	10	140¼	123½
Canada Cement, com.	6	87	86	86½	86	256	88¼	77
Do., pref.	7	103¾	103¾	103¾	103¼	10	105½	100
Can. Gen. Electric, com.	6	115⅛	114½	115	114	52	115⅛	80
City Dairy, com.	10	162	162	162	162	14	175	135
Do., pref.	7	103½	103½	103½	103½	10	106	96
Cuban Can. Sugar, pref.	..	33⅝	33⅝	33⅝	35	110	47	25
Dominion Glass, com.	7	100½	100½	100½	100½	25	105¾	89
Eastern Theatres, com.	..	12	12	12	12	16	12	9
Goodyear Tire, pref	7	81	79⅜	80	81	75	96	71
Holt, Renfrew, pref.	..	30	30	30	..	324	60	30
Lyall Construction	..	16	16	16	16	35	48	10
National Breweries, com.	$4.00	53¼	52½	53¼	53¾	885	55¼	46
Rogers, Wm. A.	..	46	46	46	46	10	76⅛	46
Sterling Coal	4	43	43	43	44	10	45½	39
Sherwin-Williams, com	6	100¼	100¼	100¼	100	5	123	91
Tuckett Tobacco, com.	4	56	56	56	58	120	60	45
Woods Manfg., com.	..	35	35	35	35½	10	80	35
Trust and Loan—								
Canada Landed	10	83½	83½	83½	87	42	87	73
Can. Permanent	12	183	183	183	184	35	194	183
Ontario Loan	10	85	85	85	87	12	87	82

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain Com	100	104
Alta. Pac. Grain Pref	89	91
British Mtge. & Loan	199	..
Collingwood Ship. Com	50	60
Can. Machinery, Pref.	23	30
Can. Machinery, Com.	5	8
Can. Mortgage & Inv.	65½	..
Can. Oil, Com.	39	43
Can. Oil, 8 p.c. Pref	91	95
Can. Westinghouse	136	..
Capital Life 20 p.c., Pref.	23	..
Cockshutt Plow 7 p.c., Pref.	42½	44
Continental Life	25	..
Cosgraves Breweries	..	5¼
Commercial Finance, Pref.	60	..
Crown Life	97	..
Dom. Power, Pref.	97	..
Dom. Power Com.	37	39
Dom. Sewer Pipe Com.	25	29
Dom. Sugar	190	205
Dunlop Tire 7 p.c. Pref.	82½	85
Durant Motors	5	6
English Elec. Com.	8	..
English Elec. Pref	48½	51
Excelsior Life 26 p.c. pd.	32	..
Famous Players 50 p.c. Com	63	66
Farmers Dairy	53	..
Great West Life	220	..
Gunns, Ltd., 7 p.c. Pref.	30	..
Hamilton Pantages Com.	1	2
Hamilton Pantages Pref	38	..
Imperial Tobacco Com	5	6
Int. Milling Pref. (Del.)	..	95
K. & S. Tire Pref.	25	27
K. & S. Tire Com.	.60	1.00

	Bid	Asked
La Paz Oil	..	25
Lambton Golf Club	425	475
Loew's Buffalo Pref.	49	53
Loew's Buffalo Com	1	1.55
Loew's Hamilton Pref	35	..
Loew's London Pref.	5¾	6½
Loew's London Com.	2	2½
Loew's Ottawa Pref	..	24
Loew's Toronto Pref	62½	65
Loew's Toronto Com.	31	35
Manitoba Power Com	18	21
Marconi Wireless	1.00	1.40
Massey-Harris	35	39
Manufacturers Life	55	58½
Mercantile Trust	99½	..
Mtge. Disc. & Fin.	8	10
Monarch Life 10 p.c. pd.	10	12½
Neilson, Wm., Pref	95	..
National Brick, Pref	50	53
National Brick Com.	12	15
North Mex. Power Com	..	9½
Ont. Equitable Life	18	22
Robt. Simpson 6 p.c. Pref.	87½	89
Robertson P. L.	15	25
Sterling Bank	.88	90
Sun Life 50 p.c. pd.	170	..
Sun Life 35 p.c. pd.	120	..
Toronto Brick Com	28	..
Toronto Brick Pref.	75	..
Toronto Carpet Com.	99	..
Trusts and Guarantee	..	72
Western Assurance	7	7½
Western Grocers, Pref.	30	32
Western Grocers Com.	2	4
Willard's Chocolate pd.	..	80

EXCELLENT TRADE CHANCES FOR CANADA

Wrong Idea of Position of U.S. Branch Plants Hints in Africa

South Africa, Japan and Australasia present a good market for Canadian products. Africa at present gets 65 per cent of its imports from the United Kingdom. The supposition that the Dominion is somewhat in the nature of a back door of the United States in the matter of the origin of its manufactured exports harms trade. Canadian trade reprsentatives are steadily wearing down that impression, according to J. Cormack, assistant Canadian Commissioner in Africa.

Australia maintains a far greater credit balance in the banks of London, England, by virtue of her sales to the Mother Country, than Canada. There is a big opportunity for the export of hard wheat from Canada to Australia, for blending purposes, and other exports could be developed is the opinion of G. E. Bunting, Australian manager of Canada's Merchant Marine.

Lack of Canadian banking institutions in Japan are a drawback to the development of new trade in that country. Exports to Japan show a steady increase. A. E. Bryan, Canadian Trade Commissioner, says that following the recent quake, more than 120,000,000 feet of lumber was needed. Canada shipped 30,000,000 feet. About 226,000 houses in Tokio are yet to be rebuilt, when permanent structures are again permitted. Yokohama needs 180,000 houses, while 400 factories must be rebuilt in the area to re-establish it.

HIGHER TARIFFS ON TEXTILES ARE ASKED BY MILLS

(Continued from page 1)

wage scales or they will lose their skilled workers to the New England mills. Some authorities state that wages are twice as high in Canada as in Great Britain.

Further Exchange Tumble

At the present time the Canadian manufacturers will make and are pound sterling at a depreciated level giving the buyer of British textiles a further advantage over the buyer of Canadian textiles.

So much for the case the textiles manufacturers will ake and are making. In speeches of some of the manufacturers, in addresses at at annual meetings and in other devious ways, the textile people are making their case known and are likely to present a united front at Ottawa in their demands for tariff changes.

But so far as is known there has been no inkling from Ottawa of any possible change in the present rates of tariff. The present government went into power on a platform that included suggestions of both lower tariffs and stable tariffs. The changes to date have been very small, consisting chiefly of the increase in the British preference. It is possible that the government may force the textile manufacturers to give the present reduced tariff a thorough trial under normal conditions for a period longer than the few months it has been in force, and thus demonstrate whether they actually need higher tariffs to enable them to prosper. But the textile company have plans laid for a serious fight.

DETROIT UNITED AWARD

Board of arbitration awarded Detroit Street Railway $467,035, for use of city streets for 13½ months ending June 30. This is after deducting $56,629 the city owed D. U. R. for use of lines and $17,296 for power. The city lines estimate of this rental carried in profit statements was 50 per cent. higher.

SELLING TOBACCO CROP

Leamington and Kingsville are now shipping tobacco freely. Expectations are that there will be about five million pounds of Burley for shipment, instead of between seven and eight million, as was expected earlier in the season. Farmers are getting from 12 to 21 cents a pound for Burley, a good price.

COMPANIES IN NEED OF ADDITIONAL CAPITAL

An organization having staff of high class security salesmen is open to finance one or two organizations having a list of satisfied stockholders. References given and required. Address in confidence to

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PROTECTIVE TRUST FOR L. R. STEEL IS SEPARATE VENTURE

If Sufficient Funds Are Raised to Pay Creditors Will be New Company

HAVE TO JANUARY 5

If Not Taken Over by That Date Receivers Will Proceed to Accept the Best Offer Made

Under the L. R. Steel Protective Trust, former shareholders in the L. R. Steel enterprises have until Jan. 5 to participate in the operations of the trust by subscribing $10 per share. The trust agreement has been filed with the two depositories, People's Bank, Buffalo, Royal Bank of Canada and also with the courts in Canada and U. S. Besides, the trustees are each under $50,000 bond.

The organizers of the trust fund are in reality organizing a new company. They are asking the old Steel shareholders to buy stock. It is the hope that sufficient of these will respond with subscriptions on the basis of $10 for every share of Steel held to provide a fund large enough to take care of the creditors. If this is achieved, the trustees of the trust will pay the amount of the creditors' claims to the receivers and receive back the L. R. Steel assets.

Trustees of the trust say they only plan to do what McKinnon, the New York broker, plans to do. He would meet the creditors' claims and then organize a company, capital 500,000 shares with a par value of $10. Steel shareholders could take up two new shares at $5 a share for each share of old L. R. Steel pref. held. McKinnon would underwrite this stock at $4 a share. He makes the one provision that if old Steel shareholders subscribe for more than 49 per cent. of the stock, they must take it all. If he secured control he says he would reorganize the enterprises. The trustees' claim is that they can do this and save the $1 per share underwriting fee of McKinnon for the shareholders. At the same time they say they would make their old holdings good to the extent of about 20 or 25 per cent. This latter figure deals with the assets. These, placed at around $22,000.000 by the Steel enterprises, have dwindled and been pared until to-day they are said to be worth around $5.000.000. this figure being quoted as McKinnon's appraisal.

However, there is no certainty that the Protective Trust is going to be successful. The funds as raised are deposited in either of the two banks. They are being raised for one purpose, to salvage the assets. If they are not used for this purpose, they must be returned to the subscribers. In the event of the Protective Trust failing, the receivers may then proceed to accept the McKinnon offer.

If successful in its drive, the Protective Trust, when it secures the assets. will then proceed with a new organization. Those who have subscribed for one or more shares of the trust will make up the shareholders. Old Steel shares will be worthless with no equity behind them. The trust agreement is that the money advanced must be paid back at 7 per cent. This will mean that until the new organization earns enough funds to pay back this money with interest, the trustees will have to continue. There is some talk of two separate companies, one in Canada and the other in the U. S., with the one trustee body in control. One of the highly important considerations would be management. Who would run the various enterprises, the sugar refinery, coal mine, candy factory, candy store, chain stores, etc.? The real estate equity in Canada is figured at $1.500.000.

Another factor that would have to be considered would be the question of working capital. The preferred and unsecured creditors' claims total about $1.350,000. Besides paying off this sum. the subscribers to the stock would have to provide working capital to keep the stores running and the other enterprises as well. The trustees say they have plans that may take care of this.

In the meantime, the claim is being made that many of the assets are being dissipated. and some criticism is leveled at the U. S. receivers. The critics point to the store in Denver, which building was sold for $390.000. when they say $500.000 could have been secured. In another city the large L. R. Steel structure was allowed to dwindle and the business fall away to nothing. Then it was sold. In this regard the point is being made that, while it is not probable, it is possible for things to go the same way with trustees in charge as with receivers.

Yield Must be Right On British Offerings

From Our Own Correspondent.

MONTREAL.—Over 90 per cent. of the £1.000 000 loan to the Tata Power Co., recently offered in London. 4½ per cent. at 97. was taken up by the underwriters. The government guaranty. under the Trade Facilities Act was behind this loan. The yield was too small. On the other hand an issue of Quebec Power at 6½ per cent. debentures at 98 was quickly oversubscribed. and is now at several points premium. There was no government guarantee in the Quebec Power issue. This shows that British investors are satisfied with other than government guaranties. provided the loan is otherwise attractive and that a government guaranty alone is not enough to insure the succees of a loan unless the yield is as large as can be obtained elsewhere. with a reasonable degree of security.

Tram Power Affairs No Further Advanced

MONTREAL.—After the tumult and the shouting of an all-day and all-night session of the shareholders, affairs of the Montreal Tramways and Power Company are no further advanced now than they were in the spring. It was a right royal battle of the proxies and the present administration under E. A. Robert, president, had the joy, of over Christmas, of considering their majority of 531 over the opposition. The total vote was 73,590 to 73,059, and this was only arrived at after Mr. Robert ts president had had an opportunity to pass upon many doubtful votes.

The opposition group, headed by T. Kelly Dickinson, now plans resort to the courts in an attempt to establish the validity of many of the proxies that were thrown out.

The fight for control of Tram Power has been going on since last spring, when the shareholders forced the company to appoint a shareholders' committee to investigate its affairs and also forced the first annual meeting in the company's history. The minority shareholders claim that the directors have in varied ways allowed the company to lose control of many of its strongest assets.

BRITISH EMPIRE STEEL

British Empire Steel announces receipt of an order for 56,000 tons of rails from the Government Railways for March delivery. This business will keep the Sydney mill operating until the latter part of April.

DEADLOCK BROKEN IN MARCONI SCHEME

So Announces British Marconi Head—Canada Will Play Important Part in Works

From Our Own Correspondent.

MONTREAL.—The statement of the chairman of the Marconi Company of Great Britain, made at the annual meeting in London. to the effect that arrangements were practically completed with the British post office for the working out of the Empire wireless chain and that all difficulties had been smoothed away will be good news for the Canadian shareholders. The Canadian Marconi Company is to form an integral part in the scheme and much of the shareholders' hope is based upon the expected profits of its participation in this work. The British chairman said: In Canada licenses have been obtained from the Canadian government for the erection of high-power stations in Montreal and Vancouver.

These are two of the stations that will be fitted into the large plan, concerning which he stated:

"The Post Office, under the decision of the Government, will erect a station at home to communicate with the Dominions, and we will erect others. In principle, we had agreed that these stations should be worked together indiscriminately, and the receipts, in so far as they relate to traffic with the Dominions, pooled and divided in proportion to the number of stations. The principal dificulty has been in respect of the actual handling of the business. We feel that it is absolutely essential to us that we have the entire handling of our own traffics; subject to this, there is nothing to prevent this pooling agreement from being entered into forthwith. The difficulty is one which, in our opinion, is quite easily overcome; it is only reasonable that private enterprise should manage its own business. We feel confident that we shall soon be able to inform you that the agreement with the Post Office has been completed. So soon as this happens the great programme which we have in front of us will be commenced, which will lead us eventually to become, I think, the biggest telegraph company in the world. There will be few, if any, countries to which our service will not extend. The construction work which we have to do is considerable, and will give employment to a very large number of men. We shall make a very big endeavor to complete the greater part of this work within 12 months from the date we start, and when this is done we shall have reached the goal for which we have striven so long, and the great future of our company will be secured."

Canadian Fur Auction Plans Non Par Stock

From Our Own Correspondent.

MONTREAL.—Profits of Canadian Fur Auction for the year just closed totalled $76,000. At the annual meeting the chairman, Senator Lorne C. Webster, reported that since the end of the company's financial year in October last the liabilities have been adjusted on satisfactory terms.

Arrangements for the February sale have already been made and the operations for the current year would commence under favorable conditions. It was expected three or four sales would be held in 1924.

R. S. Coltart, vice-president, reviewed the operations during the past year, covered by the statements furnished, statistics indicating a substantial and continued improvement in the volume of business and in the consequent net earning power. He advised the meeting that both the buying and selling patronage was increasing in number and comprised the leading houses in the raw fur business. The organization was efficient and rendering a service most satisfactory to the clientele. Given a normal trading season, the company looks forward with confidence to a successful year.

It was announced that a special general meeting of shareholders might be called in the near future to consider and ratify the conversion of the common stock to a no par value basis, which plan the directors have now in view.

ALBERTA'S FISHERIES

EDMONTON. — McInnies Fish Co. will employ one hundred men and from fifty to sixty teams this season in their fishing operations in Buffalo Lake, situated ninety miles east of Chiecham.

A New WINTER MECCA
Victoria
British Columbia

See the Canadian Pacific Rockies "50 Switzerlands in One" on on your way to Victoria, Canada's wonderful winter resort where you can fish, hunt, motor and golf all the year round in a bracing climate with little rain, no snow, and pleasant surroundings. The Empress Hotel is noted for its restful luxury, cuisine and location. You will be glad you went.

the Japan Current does it

Canadian Pacific Railway

Pulp and Paper Securities

PAPER MILLS NOW COMING TO FRONT IN THE MARITIMES

Several Projects Planned to Go Ahead in Near Future

From Our Own Correspondent.

MONTREAL.—It seems that the Maritime provinces are occupying the centre of the pulp and paper stage now, and plans under foot in a number of directions give promise that Nova Scotia and New Brunswick will come into the prominence in that industry that their vast forest resources make possible. During the present year, New Brunswick's first paper mill came into operation. The Bathurst Company started up the first of two 50-ton newsprint machines and began supplying Maritime newspapers with paper made by local workmen from local raw materials. But, outside of this one mill, there are no paper mills in either Nova Scotia or New Brunswick at the present time. There are any number of pulp mills, but the pulp mill turns out a semi-finished product and therefore does not provide the maximum revenue for the same use of raw materials. It is because of the larger revenue from the same basic elements that is provided by paper that the movement toward the establishment of more paper mills in the Maritime provinces assumes such large importance.

Hearst After a Mill

One interesting announcement is that William Randolph Hearst, the big American daily newspaper publisher, is angling for control of a pulp mill in the Maritimes which he would make the basis of a paper-producing enterprise. With many of the largest United States newspapers and magazines under his ownership, Mr. Hearst is a large buyer of newsprint and book paper.

Another pulp mill project, that has no paper mill immediately planned, is that of the A. P. W. Paper Company, at Sheet Harbor. The American Perforated Wrapping Paper Company now controls something over 60.000 acres of land at Sheet Harbor, Nova Scotia, and will commence the erection thereon as early in the spring as possible of a groundwood mill with a capacity of 25,000 tons of pulp per annum.

It is hoped to have the entire plant completed and in operation by Feb. 1, 1925.

At St. Stephen. N. B.. on the Canadian side of the St. Croix River. it is anticipated that the spring will see the construction of a big paper mill by the Hollingsworth and Whitney interests of Maine. This mill was originally planned for the American side of the river, but after all available sites were scrutinized, the Canadian site was chosen.

Enlarging Sulphite Mill

The mill of the Nashwaak Pulp Company at St. John is enlarging its capacity one-third. It manufactures bleached sulphite pulp.

New Brunswick now ranks fourth after Quebec, Ontario and British Columbia in the pulp and paper industry.

New Brunswick had invested capital of $16.310.952. Pulp produced amounted to 99.750 tons valued at $6,205.312, there being no paper mills in the province until 1923. There were 1,230 employees.

Nova Scotia is the only other province with a pulp or paper industry. It had capital invested of $6.667.234: employed 1,230 workers, and produced 37.562 tons of pulp valued at $1,166,747, and no paper.

BELGO-CANADIAN

Almost coincident with the second dividend which has just been declared on the preferred stock of the Belgo-Canadian Paper Company, cames the announcement that the definitive share certificates are available for delivery.

The exchange will be made at the offices of the registrar, The National Trust Company, and through the investment bankers or brokers with whom the shareholders concerned have been dealing.

Clyde and Sissiboo Control to Canada

This Likely to be Result of the Failure of Beilser & Co.

From Our Own Correspondent.

ST. JOHN.—Will the control of the Clyde and Sissiboo pulp mills be transferred to Canadian and United States pulp and paper interests? A rumor persists that the mills at Clyde and Weymouth, which have been exporting such large quantities of groundwood pulp to England, will be taken over by a company composed of Canadian and United States capital. This gossip follows the news of the bankruptcy proceedings against the firms of Becker and Company and Charles Marsden's Sons, in England. by one of the leading London banks. Control of the Clyde and Sissiboo mills has been vested in the Becker interests. All of the pulp produced has been shipped to the English paper mills controlled by the Becker interests, including those that have been brought into the receivership proceedings.

The daily capacity at the Clyde mill is thirty-six tons, and at the Sissiboo mill, eighty tons. A fleet of steamers has been maintained to transport the pulp to English ports, shipments having been made regularly from Weymouth and Digby. both ports being at the mouth of the Bay of Fundy. Financing of the Clyde and Sissiboo Pulp Company has been by issue of $750,000 in common stock with $500,000 in first mortgage six and one-half per cent. gold bonds.

WM. R. HEARST, AFTER CANADIAN PULP MILL

American Newspaper Magnate Plans to Build Paper Mill In the East is Report

From Our Own Correspondent.

ST. JOHN.—William R. Hearst is said to be seeking control by outright purchase of one of the smaller Eastern Canadian pulp mills, together with large tracts of pulpwood lands. The Hearst group is believed to contemplate the erection of a small paper mill in Eastern Canada near the pulp and the wood. For some time the Hearst buyers have been shipping pulpwood to the United States mill maintained by the Hearst interests. Indications are not lacking that the Hearst executives have decided to build a mill in Eastern Canada. very likely in the province of New Brunswick. By exporting the pulp and also the newsprint by steamer and sailing vessel, a great annual saving could be made over rail transportation. The cost could be reduced to fifty per cent. apparently. The reduced cost of transportation is evidently the reason for the desire of the Hearst interests to secure a pulp and paper mill in Eastern Canada as well as valuable pulpwood lands. If the mills did not materialize, the pulpwood could be shipped cheaply.

MATTAGAMI PULP

Following his return from New York, S. R. Armstrong, of the Mattagami Pulp and Paper Company, Toronto, is now spending some time at the mill at Smooth Rock Falls, Ont. It is expected that the third digester which is being lined will be ready for operation by the first of the year. This will complete the relining of all the digesters. the combined capacity of which is 150 tons daily of unblached sulphite pulp.

GREAT LAKES PAPER

An agreement is reported to have been reached between the City of Fort William and the Great Lakes Pulp and Paper Company, whereby the latter will undertake to erect a plant in that city at a cost of not less than $3.000.000. One unit, the pulp mill, is to cost $800,000 and it is to be in operation in a year's time, and the paper mill, which is to cost $2.200.000, is to be completed and in operation within two years. The plant will have a capacity of 100 tons of newsprint daily, and no fewer than 660 men are to be employed 250 working days each year, according to the agreement.

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1923

Balance at credit of Profit and Loss Account, brought forward from last year	$ 2,097,502 08
Net profits for the year ending 30th November, after providing for all bad and doubtful debts	2,913,419 15
	$ 5,010,921 23

This has been appropriated as follows:

Dividends	$ 1,800,000 00
Bonus	150,000 00
Dominion and Provincial Government taxes	350,000 00
Written off Bank Premises	350,000 00
Transferred to Pension Fund	175,286 30
Balance carried forward	2,185,634 93
	$ 5,010,921 23

GENERAL STATEMENT

30th November, 1923

LIABILITIES

TO THE PUBLIC		
Notes of the Bank in circulation		$ 24,926,956 33
Deposits not bearing interest	$ 87,903,328 35	
Deposits bearing interest, including interest accrued to date	243,669,665 59	331,572,993 94
Advances under the Finance Act		8,000,000 00
Balances due to other Banks in Canada		1,058,213 10
Balances due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries		16,857,255 77
Bills Payable		1,840,161 47
Letters of Credit outstanding		10,333,455 99
		$ 394,589,036 60
TO THE SHAREHOLDERS		
Dividends Unpaid		4,681 12
Dividend No. 147 and bonus, payable 1st December		600,000 00
Capital Paid Up	$ 15,000,000 00	
Rest Account	15,000,000 00	
Balance of Profits as per Profit and Loss Account	2,185,634 93	32,185,634 93
		$ 427,379,352 65

ASSETS

Gold and Silver Coin Current on hand	$ 12,255,298 69		
Gold deposited in Central Gold Reserves	5,500,000 00	$ 17,755,298 69	
Dominion Notes on hand	25,763,446 00		
Dominion Notes deposited in Central Gold Reserves	4,800,000 00	30,563,446 00	48,318,744 69
Notes of other Banks		$ 1,491,348 00	
United States and other Foreign Currencies		1,371,813 50	
Cheques on other Banks		19,911,743 69	
Balances due by other Banks in Canada		523 52	
Balances due by Banks and Banking Correspondents elsewhere than in Canada		11,771,391 99	34,546,820 70
Dominion and Provincial Government Securities, not exceeding market value			38,096,575 09
Canadian Municipal Securities and British, Foreign and Colonial Public Securities not exceeding market value			13,187,500 36
Railway and other Bonds, Debentures and Stocks, not exceeding market value			7,176,261 45
Call and Short Loans (not exceeding 30 days) in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			23,990,625 23
Call and Short Loans (not exceeding 30 days) elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover			25,796,166 20
Deposit with the Minister of Finance for the purposes of the Circulation Fund			750,000 00
			$ 191,862,693 72
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			184,030,020 60
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts			30,385,994 02
Liabilities of Customers under Letters of Credit, as per contra			10,333,455 99
Non-current Loans (estimated loss provided for)			1,251,000 56
Real Estate other than Bank Premises			969,676 35
Mortgages on Real Estate sold by the Bank			173,357 23
Bank Premises at not more than cost, less amounts written off			7,423,712 20
Shares of and loans to controlled companies			825,002 00
Other Assets not included in the foregoing			124,439 98
			$ 427,379,352 65

B. E. WALKER
PRESIDENT

JOHN AIRD
GENERAL MANAGER

Report of the Auditors to the Shareholders of The Canadian Bank of Commerce

We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We have checked the cash, and verified the securities representing the investments of the Bank, at its chief office and principal branches at a date other than that of the verification at the chief office on the 30th November, 1923, and found that they were in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet discloses the true condition of the Bank and is as shown by the books.

T. HARRY WEBB, C.A.
of George A. Touche & Co.
D. DEWAR, C.A.
of Marwick, Mitchell & Co.
AUDITORS

Regular Saving

It is not the amount of money you deposit but the regularity of your deposits that counts. The systematic saving of small sums is a better way to reach a substantial total than by saving larger sums occasionally.

Open a Savings Account at this Bank, deposit a portion of your earnings each week, and you will soon have a gratifying bank account.

453

IMPERIAL BANK
OF CANADA
190 BRANCHES IN DOMINION OF CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND—Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

P. Lyall & Sons
Construction
Company, Limited
Toronto - Montreal - Ottawa

Dominion Textile Company
LIMITED

Manufacturers of

COTTON FABRIC

MONTREAL TORONTO WINNIPEG

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

Insure to
the Limit

Every new experience in business affairs—particularly in times of depression—adds its own testimony to the fact that there is nothing in the form of a rainy day collateral that is more secure and profitable than a life or endowment policy in

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG

CLARKSON, GORDON & DILWORTH
CHARTERED ACCOUNTANTS
E. R. C. CLARKSON & SONS
TORONTO MONTREAL
Authorized Trustees and Receivers
15 WELLINGTON STREET WEST TORONTO

Putting the Farm on a Factory Basis

Farming is the biggest industry in the world, and the most lacking in organization. Because of that fact the report of Thomas D. Campbell, of Harden, Mont., head of the Campbell Farm Corporation, with 110,000 acres in cultivation, is both interesting and important. Among his other crops he has marketed 500,000 bushels of wheat this year at a profit, while wheat farmers generally have suffered a loss.

He has not a horse on his vast property. Farming, he declares, is an engineering proposition. Nearly all of his employees are mechanical engineers and college graduates. He pays a stiplated wage which, by the way, is high, and the men get a bonus dependent upon the profits.

He has four set principles for success in farming. They are:

Machinery—and more machinery.

Pay—high enough to meet city competition and keep good men on the farm.

Co-operation through selected employees.

Education—agricultural education.

He uses fifty-five tractors and says that through them and through the high grade employees, 250 men do the work which ordinarily would require 800.

Tractor men receive the equivalent of $250 a month, figuring in room and board, and managers get from $6,000 to $7,500 a year.

Mr. Campbell has the key to the farm problem. The farm never will be on a sound financial basis until it is operated on a factory basis. There has been too much muscle power and too little machine power, too much trusting to luck and too little scientific management.

The day of the small farm is passing and that of the big farmer dawning.

It is strange the change has been delayed so long, but in no big industry are the processes so slow as in those of the farm.

TRIAL BUTTER SHIPMENT

EDMONTON.—A trial shipment of 130,000 lb. of Alberta creamery butter has been made to Liverpool by the Panama Canal. It is the first time that this route has been used for butter. If the experiment proves satisfactory it is probable that the Panama Canal will get a good share of the butter export trade between Alberta and Great Britain.

Licenses have been issued to the Royal Insurance Co., Ltd., to sell accident, burglary, forgery, guarantee, plate glass, sickness, and steam boiler insurance and to the Commercial Union Assurance Co., Ltd., to transact inland transportation insurance.

THE NET PROFITS OF UNION BANK WELL MAINTAINED

Decline for Year Was Less Than Hundred Thousand

ADJUSTMENTS MADE

Annual Statement Shows Effect of Appropriation for Contingent Fund and Reduction of Dividend

In view of the adjustment of reserves and reductions in dividend announced in connection with the Union Bank some months ago, the fact that the annual report for the year ending Nov. 30 shows net profits of $1,033,432, as compared with $1,131,060 for the previous year, will no doubt be gratifying to shareholders. The balance of profit and loss brought forward from 1922 amounted to $483,175, which was reduced to $151,264 by transferring $331,910 to contingent reserve account in June last. There was thus available for distribution $1,184,697, of which $720,000 was paid in dividends, $10,000 devoted to the pension fund and $137,622 paid in war tax on circulation, the balance being $317,075. Following are comparative figures:

IMMEDIATELY AVAILABLE LIQUID ASSETS

	1923 $	1922 $	Change $
Specie	1,108,197	1,109,478—	1,281
Dom. Notes	8,977,191	11,893,616—	2,916.425
Note cir. dep.	396,000	395,000+	1,000
Notes, bk.	743,215	1,256,573—	513.356
Call loans ab'd.	462,182	2,787,824—	2,325,642
Bank bal.	97,514	90,965+	6.549
Do., ab'd.	1,818,572	3.840.917—	2,022,345
Gov. sec.	16,194,857	14,815,488+	1,379,369
Cheques	4,192,561	8,159,951—	3,967,390
Gold res.	2.800,000	2,800,000	——
*Dom. Loans	9,407,472	7,632,876+	1.774,596
For. currencies	42,761	——+	42,761
	46,240,522	54,782,688—	8,542,166
% total assets	36.1	38.3—	2.2
% total liab. to public	39.1	42.8—	3.7
OTHER ASSETS			
Public sec.	7,035.661	6,700,351+	335,310
Other secs.	3,505,471	2,249,844+	1,255,627
Call loans	1,096,035	3,281,150—	2,185,115
Current	53,488,949	54.756,232—	1,267,283
Elsewhere	2,484,837	6,809,341—	4,324,504
Non. curr. loans	701,267	262,304+	438,963
Lets. of cred.	1,329,994	3,236,804—	1.906,810
Real estate	252,856	210,714+	42,142
Mortgages	407,529	385,426+	22,103
Premises	2,377,507	2,387,022—	9,515
Other assets	9.777	96,695—	86,918
Mun. loans	7,219,530	8,059,913—	840,383
†Loans to comp.	2,149,744	——+	2,149,744
	82,059,157	88,435,796—	6,376,639
Total assets	128,299.679	143,218,484—	14,918,805
LIABILITIES TO PUBLIC			
Circulation	10,357,650	9,727,649+	630,001
Dom. dep.	28,179,661	30,818,089—	2,638,428
Savings	67,441,590	77,431.787—	9,990,197
Due banks	565,760	662,243—	96,483
Due else.	2,090,234	6,633,544—	4,543,310
Lets of cred.	1,329,994	3,236,804—	1.906,810
Other liab.	1.555	9,394—	7,839
Advances	8,100,000	——+	8,100,000
	118,066,444	128,519,510—	10,453.066
TO SHAREHOLDERS			
Capital	8,000,000	8,000,000	——
Reserve	1,750,000	6,000,000—	4,250,000
Dividends	166,160	215.799—	49,639
Balance	317,075	483,175—	166,100
	10,233,235	14,698,974—	4,465,739
Total liab.	128,299,679	143,218,484—	14,918,805

*Demand loans in Canada secured by grain.
†Shares and bonds of and loans to controlled companies.

The balance sheet shows a reduction in assets of close to $15,000,000. Savings deposits showed a reduction of nearly $10,000,000, and demand deposits of over $2,600,000. There was a reduction of $1,267,000 in current loans in Canada, and of $4,324,000 current loans elsewhere. Call loans in Canada were reduced by $2,185,000 and loans abroad by $2,325,000. There was an increase, however, of $439,000 in non-current loans, while the adjustments referred to must be considered in relation to the appearance of a new item of $2,150,000 for shares and bonds of and loans to controlled companies. There is an increase of $1,774,000 for demand loans in Canada secured by grain. Following are comparative figures:

	1923	1922
Net profit	$1,033,432	$1,131,060
Bal. forward	483,175	541,686
Trans. to reserve	331,910	. . . . . .
	$ 151,265	$ 541,686
	$1,184,697	$1,672,746
Dividends	720,000	800,000
Pension fund	10,000	10,000
War tax on cir. . .	137,622	79,570
Reserve	. . . . . .	300,000
Balance	317,075	483,175
	$1,184,697	$1,672,746

St. John Hydro Action Detrimental to Credit

The annual report of the Committee on Public Service Securities of the Investment Bankers' Association outlines the efforts made by that committee in conjunction with the Bond Dealers' Association of Canada to protect investors against the unfair attempt of the city of St. John, N. B., to duplicate the service of the New Brunswick Power Co.

This company was created and acquired properties to develop steam power, with the full cognizance of the provincial authorities. The province of New Brunswick developed a hydro-electric power plant and agreed to supply the city with power near cost. The city proposes to distribute and sell this power to the citizens of St. John and offered a fixed price to the N. B. Power Co., which was substantially lower than the rate base fixed by the legislature. It was contended this did not represent its fair value, and although the company offered to sell at a price to be fixed by arbitration, the city refused and threatened to build a duplicate system.

It was forcibly pointed out that this action would destroy the value of the company's plant without compensation and destroy the faith of investors. As is evident, this would have a detrimental effect on the credit of the province and city.

Up to June 1 the city had authorized bond issues totaling $283,000 for this purpose.

Auto Makers Out to Make New High Records

NEW YORK. — The automobile companies are without exception announcing plans for much larger outputs in 1924 than this year. This may be gratifying as evidence of confidence in public spending, and no doubt is largely accountable for the current stimulation of steel sales, but we question whether there is not some danger of over-confidence on this score.

HOCHELAGA BANK AGAIN IMPROVED LIQUID POSITION

Increase in Assets During Year—Profits Little Changed

From Our Own Correspondent.

MONTREAL.—La Banque d'Hochelaga enters its golden jubilee year in a strong liquid position, and with the record of having come through the recent period of business depression and economic deflation with flying colors.

Profits for the year ended November 30 last amounted to $600,122, but a small decline from the previous year's figures of $604,830. Net earnings thus amounted to 15 per cent. on the outstanding stock, and 7.28 per cent. on the combined capital, reserve and undivided profits. The established dividend rate is 10 per cent. per annum.

Profit and loss figures for the past three years compare as follows:

Profit and Loss

	1923	1922	1921
Profits	$600,122	$604,830	$630,902
Bal. for.	194,536	184,706	83,804
	$794,658	$789,536	$714,706
Less:			
Dividends	$400,000	$400,000	$400,000
Pen. fund.	20,000	20,000	20,000
Fed. taxes	85,000	75,000	40,000
Bank premises	50,000	100,000	70,000
	$555,000	$595,000	$530,000
Bal. for.	239,658	194,536	184,706

Deposits Up $3,000,000

The balance sheet indicates that total assets have increased by about $5,000 000—from $67,531,053 to $72,547,126. Reflecting the confidence in the bank, deposits have increased by $3,000,000. The deposits in 1922 amounted to $53,570,029, and in 1923 $56,721,728.

Current loans show a decline of $883,000. On the other hand, holdings of government bonds, etc., have increased, and the ratio of net quick assets to total liabilities and to total assets have increased to some degree.

IMMEDIATELY AVAILABLE LIQUID ASSETS

	1923 $	1922 $	Change $
Specie	560,116	553,689+	6,427
Dom. Notes	5,448,460	5,379,838+	68,622
Note cir. dep.	200,000	200,000	——
Notes, bk.	724,170	862,192—	138,022
For. currencies	41,532	——+	41.532
Bank bal.	[illegible]	94,530—	723
Do. ab'd.	549,081	1,119,319—	570,238
Gov. sec.	4,484,880	3,560,479+	924,401
Cheques	3,143,755	2,986,052+	157.703
Gold res.	2,500,000	2,000,000+	500,000
	17,751.801	17,456.099+	295,702
% total assets	24.4	25.9—	1.5
% total liab. to public	27.6	29.5—	1.9
OTHER ASSETS			
Public sec.	5,789,382	1,186,869+	4,002,513
Other secs.	638,210	939,211—	301,001
Call loans	6,308,356	5,376,706+	931,650
Current	34,254,537	35,137,754—	883,217
Non-Current loans	160.341	——+	160.341
Over. debts.	——	103,875—	103,875
Lets. of cred.	667,329	90,018+	577,311
Real estate	531,392	309.960+	221,432
Mortgages	591,297	471,228+	120,069
Premises	3,604,113	3,525,787+	78,326
Other assets	85,042	74,425+	10,617
Mun. loans	2,165,326	2,259,121—	93.795
	54,795,325	50,074,954+	4,720,371
Total assets	72,547,126	67,531,053+	5,016,073
LIABILITIES TO PUBLIC			
Circulation	6.256,609	5,362,199+	894,410
Dom. dep.	9,184,149	9,669,760—	485,611
Savings	47,537,579	43,900,271+	3,673,308
Due banks	1,835	2,288—	453
Due else	558,499	210,440+	348,059
Lets of cred.	667.329	——+	667,329
Acceptances	——	90,018—	90,018
	64,206,000	59,234,976+	4,971,024
TO SHAREHOLDERS			
Capital	4,000,000	4,000,000	——
Reserve	4,000,000	4,000,000	——
Dividends	101.468	101,541—	73
Balance	239,658	194,536+	45,122
	8.341,126	8,296,077+	45,049
Total liab.	72,547,126	67,531,053+	5,016,073

The steady progress of the bank, whose activities are for the most part confined to the province of Quebec, is illustrated in the figures of total assets which amounted in 1913 to $31,890,000; in 1914 to $33,323,000, and in 1923 to $72,547,126.

Bigger Equity Behind Wayagamack 6% Bonds

From Our Own Correspondent.

MONTREAL.—One notable feature of the annual statement of Wayagamack Pulp and Paper Company is the improvement in the equity behind the 6 per cent. bond issue. The statement on the whole justifies the faith of the underwriters of the $1,374,500 balance of these bonds, which was sold a little over a year and a half ago.

Total property, buildings, equipment, etc., added to net liquid assets (working capital) now amount to $12,962,782. At the time the issue was made, and allowing for the new monies to be received by the sale of the bonds, total net assets amounted to $12,306,306. At the same time the amount of bonds outstanding has declined from $4,630,300 to $4,505,200, making a net improvement in the equity behind the outstanding bonds of nearly $700 000. Total net assets now amount to 2.88 times the amount of bonds outstanding, as against 2.65 times when the bonds were issued.

2
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One is by according an interview to our representative.

The other is by the bitter experience of sustaining heavy credit losses. And remember, you can't foresee when credit losses are going to hit you, or from what source, or to what extent.

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4th. These profits may be used to reduce the amount of your yearly deposits or be allowed to accumulate at interest for 20 years.

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12

EXPENDITURES AND DEBT

(St. John Journal)

The Ottawa Journal is strongly of the opinion that all of our governments, federal and provincial, are spending too much money. Such advice from well known newspapers should at least be a public warning. There is no doubt that the tendency of the times is to borrow and spend money for public services without regard to pay day. The people themselves, as we have repeatedly said, are to blame for these extravagances. They are always demanding of governments the construction of additional public works and the improvement of services which have been improved almost to the limit. Such demands mean large expenditures and borrowing must naturally be resorted to to provide the funds. Borrowed money means interest and a few of the provinces have so great a debt at the present time that the item of interest has become alarming.

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NIGHT HAWK

Will Likely be One of the First Mining Stocks Called For Trading in 1924

Night Hawk Peninsula will likely be called for trading on the Standard Exchange after the first of the year. The stock has been listed for some time. It would most likely have been called before had not some difficulties arisen. The company is well financed. All brokerage connections have been severed by the company so that there is no control of the issues held. The stock is not largely distributed, there being only 550 shareholders.

MINING NEWS FOR THE INVESTOR

INDUSTRY USING 28% OF WORLD'S SILVER OUTPUT

Plan to Study New Uses Arouses Considerable Interest

Announcement that a study of possible new uses for silver in the industries and commerce is to be undertaken by the United States Department of the Interior lends interest to some calculations made by the Trade Record of the National City Bank of New York on the world's silver output and the proportion used in the industrial arts.

The chief silver producing countries of the world are, stated in their order of magnitude of production in 1922, Mexico, the United States, Canada, Peru, Australia, Bolivia, Germany, India, Japan, Spain and Chile.

The big additions to the world's supply of silver which were running at the rate of over 200,000,000 ounces a year prior to the war and in 1922 again crossed the 200,000,000 line do not necessarily mean a corresponding increase in the world's stock of silver money. A very considerable share of the new silver produced from year to year is now used for purposes other than monetary. Some of it is lost by abrasion, some of it passes to the Orient and disappears in the "hoards" characteristic among the people of that part of the world. Much of it has been used for years in the manufacture of tableware, ornaments and toilet articles, and of late large quantities are utilized in photography especially the thousands of miles of motion picture films annually turned out in the world. While the silver used in tableware, ornaments and toilet articles is looked upon as possibly "recoverable" in case it is needed, that used in photography and plating is not recoverable. A recent statement by a high authority puts the quantity of silver now used in photography and silver plating at from 10 to 20 million ounces a year while from 20 to 30 million ounces are annually used in the manufacture of tableware, toilet articles, etc. Accepting the higher of these figures it would appear that about one-fourth of the world's silver production is now used in the arts and industries, and this is sustained by a recent report of the Director of the U.S. Mint who places the world's industrial consumption of silver in 1922 at 59,869,000 ounces, or 28% of the 1922 world outturn.

Kirkland Lake Gold Figures in Rumors

Kirkland Lake Gold is now selling around 15 cents. Many shareholders are asking why?

The first break in the stock came on a report that the mine was going to close down. This has been denied, yet the pressure continues and the stock steadily responded.

Some believe that there is a move on foot to get a cheap mill for Teck Hughes and that this may have something to do with the selling. There is some merit to the idea but it's hard to see how market pressure could do it being as Beaver Consolidated owns the great bulk of the stock.

The Kirkland Lake Gold has not been a success. There have been rumors that it might be amalgamated with Teck Hughes. It is doubtful if anything but an outright purchase would be entertained. Even at that, with a heavy debt to Beaver, it is doubtful if there would be much left for the shareholders.

Teck Hughes is working farther away from its plant all the time and nearer to the Kirkland Lake Gold plant.

TOUGH-OAKES BURNSIDE MILL

Is Ready to Operate but May Wait Opening of Another Level

There has been considerable talk of the opening of the Tough-Oakes Burnside mill around the first of the year. The mill is said to be ready to run. While the company is almost justified, in view of the ore now in sight, in starting the mill, it is doubtful if action along this line will be taken until the shaft has been completed to 1,000 feet and that level at least partially opened up. Good progress in developing ore is being made on the 9th level where rich veins of the 8th level were picked up. Where cut, the vein showed a width of about 5 feet, and drifting has been started east and west. Values in the high grade section of the vein are reported as running as high as $80.00, and pay ore has been developed for the whole width of the drift. This shoot of ore will probably take a month or six weeks to open up. Diamond drilling has been almost completed for the present. There is only one remaining hole to drill from the fourth level cross-cut into the Tough-Oakes territory to the northwest. It is thought that this hole will prove up the same series of veins recently determined to be gold-bearing lodes by the Silvenite Company in their drill hole.

HEAVY CASTLE BUYING

Mill is Being Pushed Ahead and Will be Going by Spring

Castle Trethewey jumped seven points right after Christmas. A couple of brokers have been making a dead set on this stock, putting as many of their clients in as possible. Undoubtedly this explains the heavy buying of late. Castle's mill will be going before spring. There are sufficient finances on hand to take care of all expenditures. The company will likely redeem the $200,000 preferred issued to finance the mill before going in for common dividends.

Wild Rumors About Many Mining Issues

The mining market has shown strength through the Xmas period despite the fact that there was little trading, the total sales running around 100,000 shares per session. Leaders declare there is a shortage of stocks and advance this as the sole reason for the market's strength.

The point was raised with one broker as to whether or not the public would come in if the market maintained its present price levels. He was not any too optimistic in this regard while another market authority was quite emphatic in declaring that there would have to be a levelling down before the public will participate.

Moneta has had another of its periodical rises. The report this time is that the property is to be diamond drilled. Favorable rumors about property in the past have usually resulted in a rise and just as quick a fall in the market. It has been one series of disappointments.

Teck Hughes has shown some strength of late. No reason for this has been forthcoming unless it is perhaps the weakness of Kirkland Lake Gold as discussed in another part of this page.

Very favorable reports of the progress on the 9th level of Tough Oakes, Burnside, put this stock back to 71. Bonanza ore is being opened up.

Bid 55, asked 70, for Indian evidences the feeling of antipathy which the professional market has for this stock. The recent break undoubtedly caught some margin accounts. No explanation of the break has been forthcoming.

Consolidated West Dome has shown a little better action the last week. One leading mining broker attributes the weakness of this stock to selling on the part of financially embarrassed insiders.

Copper Export Concern is Facing Dissolution

The U.S. Copper Export Association is in danger of dissolution. American Smelting & Refining Company wants to withdraw as an alternative to the granting of the privilege of its entire output of copper in the open market. The company, however, has expressed willingness to continue marketing the output of its own mines through the association. Several members have threatened to withdraw in the event that the American Smelting & Refining is permitted to drop out. The association marketed 400,000,000 pounds of copper from the post-war over-production period and has been selling on current production of late.

Good Indications on Goldale 1000-Ft. Level

Recent work on the 1,000 ft. level of Goldale has exposed tongues of schistose quartz porphyry with quartz lenses in the basaltic schists near the porphyry contacts. In advancing the drift various horizontal cross feeders of mineralized quartz were encountered, carrying values from $3.60 to $16.40 gold per ton. The drift is following the general course in the direction of the area on the 1,000-ft level underlying the ore body exposed on the 500-ft. elevation.

Systematic northerly and southerly cross-cutting will be done later off 1004 E. Drift to definitely locate the apex vein system and other parallel vein systems at this event.

A new skip is being installed to handle the increased work on the 1,000-ft level as well as new installation for handling gases and smoke at this level.

COPPER PLANT CLOSED

Drop in Market Price of Products is Disastrous for B.C. Concern

Tidewater Copper Co., Sidney Inlet, B.C., has closed. Wage cheques for some weeks are outstanding and unpaid. Low prices of copper are blamed for the shut down. When copper was seventeen cents a pound the mine was making good money, but the present price of thirteen cents is said to be too low for money making. Many copper mines in other parts of the continent have been closed down for some time. The Tidewater only recently installed a $30,000 Diesel engine, anticipating further expansion and a better market.

WETLAUFFER BOARD CHANGED

Toronto interests were partially successful in their drive against the New York control of Wetlauffer. They got a change on the board. Delay in reopening was stated to be due to the desire to watch deep development on the other Lorraine properties. Wetlauffer has about $90,000 cash in its treasury.

ASSOCIATED GOLD FIELDS

It is reported that the Canadian Associated Goldfields has cut its main vein on the 750-foot level.

In a statement now going forward to shareholders, it is announced that a 600-ton mill will be erected and in operation during the coming year. The foundations are constructed, and a considerable part of the timber and machinery is already on the ground. Recently there has been some bidding for this stock around 8½ and 9.

CROWN RESERVE

Crown Reserve property at Lard's shows veins extending over widths ranging from 10 to 41 feet. Some sections of the deposits carry high-grade gold values, while the general average is about $10 per ton.

Main developments have been centred largely at the 300 and 550-ft. levels. Intermediate levels are now being opened up at depths of 175 and 425 feet. No attempt has been made to estimate ore reserves.

KOOTENAY FIELD STEADILY EXPANDS; NEW MINES OPEN

Many Hitherto Unworked Claims are Being Developed

From Our Own Correspondent.

NELSON.—Mining in the Kootenay including the Slocan, Lardeau and Sheep Creey districts, is steadily expanding, and each week sees development started on a number of hitherto unworked claims.

The Golden Age Mining Company has been incorporated to work its property at Wiley's Siding, owned by the Tarzan brothers, who had previously done much work on it. Free gold finds have been highly reported upon by engineers.

The Utica mine shareholders have ratified a deal whereby the company is wound up and the property taken over by a new syndicate headed by Col. H. H. Armstead of New York. An extensive program of development is to be started at once. Col. Armstead has let to J. H. Wilson a contract for driving 500 feet of tunnel on the Cromwell, near Kaslo, which he also owns.

The Number Tow Fraction, at Beaverdell, has been bonded by H Rambo to J. Acom, of Spokane, for $15,000; ten per cent. of ore shipped and fifteen per cent. if it runs in values more than $200 a ton. A compressor is to be installed at once.

E. L. Edwards, manager of the Lake Shore mine, has taken over for immediate development the United property adjoining the Lake Shore.

GOLD AND SILVER DIVIDENDS SOARING

Are Now Close to Nine Million Yearly; Should Pass Ten Million in 1924

	Silver	Gold	Total
1921	$1,640,000	$4,221,709	$5,861,709
1922	1,730,000	5,583,210	7,313,210
1923	2,050,000	6,689,544	8,739,544

The above table shows the heavy upward trend of the dividends of the silver and gold stocks. The latter are going ahead with leaps and bounds, though a review of the situation of many mines leads to the conclusion that a greater advance should come in the next couple of years. Dome was responsible for a big portion of the increase in the golds for the past year, having declared $4 a share on the old stock, which on the stock split is $2 on the new.

The silver dividends are coming back strong. Keeley is responsible for this. The coming year will certainly see the Mining Corporation back in the dividend column, also the Trout Lake Syndicate should appear, with excellent possibilities that Castle will also. The total for the gold and silvers should easily come up to the prediction of $10,000,000 for 1924.

SMELTERS

Earnings of the Consolidated Mining and Smelting Co. of Canada are very satisfactory, and are reported to be running in excess of 36 per cent. on the common stock, after the deduction of depreciation and other charges.

The company's chief products, lead and zinc, have been effectively established in the markets of Great Britain, Germany, France, China and Japan, competing on a profitable basis with all the big countries of the world.

The shareholders of "Smelters" for ten years previous to December 31, 1922, received 6.95 per cent. on their investment.

SILVER AND OTHER METALS

Dec.	22	24	26	27
Silver—				
London	33⅜	—	33⅛	—
New York	64⅜	—	64¼	64⅛
Copper	13⅛	—	13⅛	13¼
Tin	47.25	—	—	47.50
Lead	7.40	7.40	7.40	7.50
Zinc	6.25	6.25	6.27	6.27

Mining Stock Quotations

Week Ending December 24.

	High	Low	Close	Close Dec. 18
Atlas	4	4	4	4
Algonquin	1½	1½	1½	1½
Argonaut	57½	50	54	58
Baldwin	5	4¼	5	4½
Beatty	6	5¾	5½	6¼
Beaver	20	19½	20	19½
Bidgood	14	13	14	13¾
Beatty rts.	3½	3½	3½	3¾
Buckingham	3⅞	3¾	3¾	3¾
Castle T.	50	46¼	50	46
Chaput Hughes	3½	3½	3½	3½
Coniagas	2.40	2.40	2.40	2.30
Cons. Smelters	29	27¾	29	27¾
Cons. W. D.	27½	24¼	27½	24
Clifton	5	4½	4⅝	4¾
Col. Kirkland	7	6	6	8½
Crown Reserve	70½	66	70½	67¾
Davidson E. R.	4	4	4	4¾
Dome Mines	20.00	19.60	20.00	20.00
Gold Reef	1½	1½	1½	1½
Goldale	48½	46	48	48
Hattie	9¾	8	8¼	9
Indian	76	64	64	77
Hollinger	11.45	11.30	11.50	11.35
Hunton	6	5	5½	6
Inspiration	10¼	9	9	8½
Keora	8	5	6¾	5
Keeley	1.70	1.60	1.70	1.62
Kirkland Lake	16½	13¾	13¾	15½
Lebel Oro	30	30	30	30
Lake Shore	3.38	3.33	3.35	3.35
Lorrain	14	13½	13¾	13½
Montreal, Ont.	15¼	14	15	15
McIntyre	18.39	18.00	18.10	18.25
McKinley	12½	12	12¼	12
Mining Corp.	3.00	2.90	3.00	2.94
Moneta	23	22	22	21
Newray	41	37¾	41	38½
Nipissing	6.60	6.45	6.60	6.50
Pete. Lake	9¾	9½	9¾	9¾
Porc. Crown	8	6½	8	8
Preston	12	11¾	11⅞	11¾
Teck Hughes	1.18	1.13	1.18	1.15
Timiskaming	33½	32½	32½	34
Thomp. Krist	4	4	4	4
Trethewey	8	7¾	8	7¾
Tough Oakes	71	65	69	67
Vickers	27½	27	27	27
Vipond Cons.	92	90¼	90½	90½
Wakenda	3	3	3	3
Wasapika	3	2¾	3	3½
West Tree	6	5¼	5¼	5½
Wettlaufer	11	8	8	10
Wright Har.	3.00	2.40	2.75	2.95
New York Prices				
Inter. Nickel, c.	14⅛	13½	13⅞	14⅛
Do., pref.	80	79¾	80	80

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"Timely Talks on Mining"

By

Irving J. Isbell

TALK NUMBER EIGHTEEN

Making good resolutions for the new year is an institution which has been handed down from generation to generation and every year we all go through the motions again although experience has made us a little skeptical about the results. I don't know how many of my readers have ever carried out a New Year resolve, but I know in my own case, it is not very long until I find myself unconsciously slipping back into old habits again.

In connection with New Year resolutions, however, there is one which I urge upon every one to make and KEEP. Never buy stocks, or any security for that matter, without thoroughly investigating what the security stands for, what value it has, and who the people are behind it.

The average man is prone to take things too much for granted when he buys stocks. I wish readers of my "timely talks" could see some of the letters of enquiry that every broker gets from clients and you would very quickly see what I mean. I think I am well within the mark when I say that I have had thousands of letters from people who had purchased stocks who did not know anything at all about them, in fact, that was the reason for writing to me, to find out what sort of a stock they had bought. Sometimes, I am glad to say, I have been able to tell them that the stocks are good, but frequently I have had to break the bad news that the stocks are worthless.

Bearing bad news is not a pleasant job at any time, and it is hard to tell a man whom you know is not in a position to lose, that he has paid out hard earned money for a worthless piece of paper, but when they ask for a candid opinion, it is my painful duty to tell them the truth.

In my office I have a book of a thousand pages or so. The title of this book is "Obsolete Securities." I have never attempted to count the number of companies listed in this book, but it must run into thousands upon thousands. It is a list, compiled for the benefit of brokers, of the companies which have failed. Now these are legitimate companies which did not "make good" for a whole variety of reasons. I suppose if a list were made of stocks in illegitimate companies, that is "fake" companies, it would fill several volumes. When I look at the book of obsolete securities, I often wonder just how much lost money they represent.

To buy a stock without first investigating it, is nothing more than encouraging loss. You may happen to strike a good one which will make you money, but again you may find out after it is too late that you have made somebody a present. Why take such an unnecessary chance?

Now, I don't mean to say that good securities are scarce. There are lots of issues which any unprejudiced broker will recommend to you if you will only ask him before you buy and tell him what class of stock you want.

Nearly every brokerage house of any account maintains at considerable expense a statistical department for no other reason than that of keeping clients posted on the various kinds of stocks. All you have to do to get an expert opinion on any stock or group of stocks is to take the pains to write to any responsible broker. All it costs you is a stamp and a few minutes of time. It is so easy to avoid the pitfalls of investment that I honestly do not understand why more people do not investigate before they invest instead of after.

All mining stocks have sometime been held up as dangerous by people who did not understand. This is a rank injustice. There are good and bad in mining stocks just as there are good and bad in any class of investment. We have seen banks fail, pulp and paper companies go out of business, sugars, railroads, merchandising, etc. To tell the truth, I don't believe there has been as much money lost in all the failures in mining in Canada put together as in half a dozen of other kinds of stocks I could mention.

But, it is just as necessary to investigate a mining stock before buying it as anything else and I believe that if everyone who buys mining stocks during 1924 and afterwards will take just a little trouble to find out some of the essential details about companies they contemplate investing in, it will be far more effective in discouraging dishonest promotion and encouraging honest development then any so-called "blue sky" law ever will, and it will most certainly save investors a lot of money.

There is going to be a lot of money made during the coming year in mining stocks and it is just as easy to buy a good stock that will give you a share of the profits as one that will ultimately bring you a loss. Any time you want expert advice or accurate information about a stock, go and see your broker or write to him. If you are not dealing through any particular broker you may write to me and I will give you all the assistance I can to help you in buying the right stocks.

But, remember, better not to invest at all than to invest in something you don't know anything about.

Mr. Isbell's "Timely Talks On Mining" will continue for an indefinite period in this column. "Talk Number Nineteen" will appear in the issue of January 4th. We suggest that you have your name placed on our mailing list to receive a copy of "Timely Talks On Mining" each week without any charge or obligation of any kind.
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NEWS OF THE BANKS AND BANKING

PROF. KEYNES HAS PLAN TO PREVENT MONEY TROUBLES

Goes Further Than Prof. Fisher; Proposes International Management

From Our Own Correspondent.

MONTREAL. — The now-famous English writer on economic subjects, John Maynard Keynes, whose book, "The Economic Consequences of the Peace," attracted world-wide study, has come out with currency suggestions that go further than Prof. Irving Fisher's idea of a money standard that would provide compensation for the changes in the value of gold. Prof. Keynes has published a work, "A Tract on Monetry Reform," brought out by Macmillan's, in which he outlines his ideas.

Prof. Keynes' suggestion is that Great Britain should establish a sterling standard instead of a gold standard. The Bank of England would weekly publish the figure it would pay for gold just as it publishes the discount rate on money. As the figure quoted by the bank would be based upon the idea of presenting any great changes in the purchasing power of the pound at home and abroad, it would act as a stop to wide fluctuations in the price of commodities and in the rate of sterling exchange. Prof. Keynes further suggests that similar action should be taken by the United States in connection with the dollar, that a dollar standard rather than a fixed gold standard be set up.

Adapting to the World

The sterling standard of Great Britain could be adopted by the countries of Europe and the dollar standard of the United States by Canada and other countries of this hemisphere and in this fashion the Bank of England and the Federal Reserve Board could control the purchasing power of money the world over. This system is suggested by Prof. Keynes because he believes that we have reached the time when a "managed currency" is inevitable, but he hesitates to trust the management of currency to a single authority. Hence the plan to have two authorities, the Bank of England in London and the Federal Reserve Board in the United States, working for the stabilization of currency and exchange. Prof. Keynes' plan differs from Fisher's in many ways, chiefly in anticipating price movements and in providing for international management of monetary values. Prof. Keynes' plan does not abolish gold entirely, it will be seen, for gold would be used for affecting payments of short-term balances, etc., and the currency suggested by him is based upon a gold of varying purchasing power, when measured in dollars or pounds, although of stabilized purchasing power measured in commodities, wages, investment returns, etc.

How Investment Values Fell

One of the most interesting things Prof. Keynes has done has been to prepare a table showing the actual return, measured in purchasing power, of certain standard investments. The investor has suffered greatly in Canada as well as in other nations through the depreciated purchasing power of the income from investments made before the war. Prof. Keynes has figured out what this depreciation amounts to in the case of British consols, and the figures may be taken as a fairly reliable indicator of what has happened to the income from investments in Canada and other countries. After deducting income tax and allowing for the differences in the purchasing power of money, the value expressed in commodities of the market price of consols has compared as follows:

1815	56
1826	92
1841	104
1869	111
1883	144
1896	208
1914	100
1920	22
1921	34
1922	47

From this it will be seen that the man who bought investments thirty years ago had lost about 85 per cent. of the value of his holdings by 1920 due to the application of the income tax on his interest returns and because of the depreciated value of money. But since 1920 there has been such pronounced improvement both in the purchasing power of money and the price of high-grade investments that now the investments are actually worth more than twice as much as three years ago. Nevertheless the investor has not yet recovered the loss sustained over the term of years when prices were rising.

Neglects Policy Holder; Loses $15,000 Insurance

An insurance company reports that one of its agents called upon a policy-holder, who had been written up for $5,000 insurance in 1920. Since that date, for some reason or other, he was not called upon by any of the company's agents, and a representative in making the usual call required by Policyholders' Month found that since that date he had taken $15,000 in other companies.

This manifests in a very forcible way the necessity of keeping in close touch with your policyholders, and not letting twelve months go by without calling upon everyone.

Life insurance is not purchased by men to-day in a lump and forgotten. Most add to present holdings from time to time, and sometimes the smallest change in circumstances will make addition advisable.

Christmas Tree Brightens Imperial Bank Head Office

A Christmas tree with the proper accompaniments of din from toy horns and other sources of noise made an unusual transformation at the head office of the Imperial Bank of Canada last Saturday. A gorgeous Christmas tree loaded to the ceiling with gifts for the children of the bank's messengers was located in one of the rooms at the rear of the building and Santa distributed gifts to all the children present.

The visitors included A. E. Phipps, general manager of the bank, and E. G. Le Mesurier, manager of the Toronto branch. Officers of the Association of Imperial Bank Messengers, who put on the evening, are: honorary patrons, A. E. Phipps and G. G. Le Mesurier; chairman, H. Wright; honorary treasurer, S. Gunn; honorary secretary, S. Jamieson; committee, Messrs. Trethewey, Masson, Scriven Rodgers, Carter, LaRoache, Rae, Bristowe, Perkins, Horner and Harrison.

Will Ask Guarantee of Savings Accounts

VANCOUVER. — Governmental guarantee of small savings accounts in Canadian banks, affording similar protection to that now given to bank notes, is recommended in a resolution which L. J. Ladner, M.P., South Vancouver, will introduce in parliament next session. Mr. Ladner has sent notice of his resolution to the clerk of the House of Commons.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	Dec. 20, 1923	Change	%
Toronto	$120,921,883+	$ 6,162,903	5.4
Montreal	109,170,521—	402,535	.4
Ottawa	7,773,305—	429,785	5.2
Hamilton	6,209,230+	435,703	7.5
Windsor	3,395,585+	71,483	2.1
London	3,018,728—	138,007	4.4
Halifax	2,845,726—	224,491	7.3
St. John	2,698,677+	152,226	5.9
Brantford	1,264,985+	172,683	15.8
Kitchener	1,202,912+	62,070	5.4
Moncton	1,052,167—	237,990	18.4
Peterborough	888,304+	57,122	6.9
Sherbrooke	829,060+	31,577	4.0
Kingston	750,700+	60,003	8.7
Total, East	$262,021,783+	$ 5,772,962	2.2
Quebec	5,947,849		

WESTERN CITIES

	Dec. 20, 1923	Change	%
Winnipeg	$ 65,768,809+	$ 9,835,431	17.6
Vancouver	15,151,785+	1,028,196	7.3
Calgary	8,741,721+	2,897,260	49.6
Edmonton	4,900,124+	265,998	5.7
Regina	4,847,714+	267,930	5.8
Victoria	2,021,886—	91,050	4.3
Moose Jaw	1,557,098+	63,613	4.3
Fort William	1,422,071+	421,495	42.1
Lethbridge	855,051+	59,362	7.5
Brandon	789,062—	57,708	6.8
New West'r	588,780+	124,377	26.8
Medicine Hat	426,635+	50,963	13.6
Prince Albert	406,157+	9,238	2.3
Total West	$107,476,893+	$14,875,105	16.1
Grand total	$369,498,676+	$20,648,067	5.9

A BANK'S STATIONERY

Some idea of the amount of stationery used in a year by our large banking institutions is shown by some figures supplied by the National City Bank organization. For instance, in one year National City uses 20,000 rolls of adding machine paper; 5,000,000 clips; 4,000,000 envelopes; 1,600,000 letter heads; 60,000 scratch pads; 200,000 blotters; 628,000 sheets carbon paper; 8,800 typewriter ribbons; 800 quarts of ink; 250 gallons paste; 2,225 pounds rubber bands; 52,000 pen nibs and 20,000 erasers. The handling of the stationery department alone requires the services of 11 employes.

HOW MANAGER ROUTED FAKE STOCK SELLERS

Left by Back Window When a Policeman Inquired

This is a story of how a lone bank manager in a small city put three oil stock salesmen to rout, benefited his city considerably and kept his savings accounts intact. There drifted into the little city a trio of well dressed and suave talking worthies. They mapped out a campaign and started to "work" the city. They confined their attention to men and women working in the factories, in stores, and on construction operations. In other words, they selected carefully a list of persons likely to be easy victims for the plausible and fluent talk of the salesmen.

According to the story as told by the salesmen, the oil stock was issued by a company owning three of the biggest oil wells in Missouri. The Rockefellers were unofficially instrumental in the founding of the company but did not wish to be publicly identified with the company because of their Standard Oil Company connections. The salesmen quoted statistics until the victim was hopelessly entangled, the Rockefeller connection and the fifteen per cent. dividends promised being excellent bait.

The bank manager learning of the presence of the three crooks in the city, sent one of his clerks to investigate their plan of action. When he found that the men were making much capital of the Rockefeller name, he saw a ready opening of which he took advantage without delay. He wired to agents of the Rockefeller interests, asking if it were true that the salesmen represented the Rockefellers, knowing full well there was no connection but wishing to have official confirmation before striking. The returning wire disclaimed any relation whatever. The bank manager thereupon placed the wire in the hands of the local police and on seeing the policeman approaching their hotel, the three salesmen left via a rear window. They left without their luggage and did not return. Fortunately the exposure came when the men had just made a start in disposing of the stock and there were few sufferers. Speed was necessary in handling the situation for the oil stock individuals were fast workers. The stock was, of course, absolutely worthless.—W. J. McN.

STERLING

The Sterling Bank announces the following staff changes:—

R. Loverock has been appointed manager of Lefroy branch to replace Mr. Modeland, who decided to enter into another class of work.

L. W. Bennett has been appointed accountant at St. Catharines. Mr. Young, who previously occupied that position, has been transferred to Head Office as assistant to Mr. Walton in the credit department.

S. E. Martin, teller, Coboconk, has been transferred to Craighurst as teller.

C. W. Houck, teller at Beaverton, has been transferred to Richmond Hill as teller. His position has been filled by O. E. Harris, who was teller at Zephyr. R. Sellars, who was junior at Kirkfield, has been advanced to the position of teller at Zephyr.

Will the Franc Follow the Mark?

By THEO H. PRICE,
In Commerce and Finance.

The latest relapse in the value of the franc toward the previous low level has led many to ask whether the paper currency of France is going the way of the mark.

In considering this question it is well to bear in mind that the franc notes which serve as paper currency in France are obligations of the Bank of France issued by the authority of the French government and under certain governmental guaranties of the bank.

One of these guaranties is a "convention" made in 1920 between Francois Marsal, then finance minister, and the Bank of France. In this "convention" it was agreed that in order to effect "progressive deflation" the Treasury should pay the bank two billion francs annually on account of the government's liability.

To make this payment it was necessary:

1. That current revenues from taxation and reparations should exceed disbursements; or
2. That the money should be borrowed externally or internally from lenders other than the bank.

From neither source have the necessary funds been forthcoming. Germany has ceased to make any reparation payments at all, and the military expenses incurred by France in her occupation of the Ruhr plus the considerable sums she has loaned to Poland have more than absorbed her current revenues and the proceeds of the domestic loans that have been issued.

The result is that for two years the government has failed to pay the bank the two billions agreed upon.

In 1922 only 1,000,000,000 francs were paid, but M. de Lasteyrie, who is finance minister in the Poincaré Cabinet, explained that the shortage was "exceptional" and that it would be made up this year. But now that the end of 1923 is approaching, it seems unlikely that this promise will be kept.

In the Echo National of Paris for December 12, Robert Doucet writes:

M. de Lasteyrie has no intention of reimbursing, on December 31, the 2,000,000,000 francs he owes the bank under the terms of the existing convention. He does not intend to reimburse even a modest billion as he did last year.

As the Poincaré government has not challenged this statement the opposition insists that it intends to adopt a policy of unrestrained inflation. Andre Tardieu assets that it "is following the route taken by Berlin," and Robert Doucet predicts an accelerated depreciation of the franc with a rapid increase in prices and wages.

Commenting upon these developments editorially the New York Herald remarks that: "M. Poincaré's successes are more and more obvious failures, and there are signs that he is trying to invent a new policy."

Inflation is always a great temptation to a government that has become economically embarrassed as a consequence of a mistaken political policy. It remains to be seen whether the Poincaré ministry will yield to it. If it does the franc will speedily decline in value.

At the present time notes of the Bank of France are still worth about 27 per cent. of their gold "par" because the world believes that the French people are too sane to permit their government to entirely destroy the value of their currency and the "rentes" or bonds in which most of the country's savings are invested.

This belief in the financial common sense of the French has been somewhat shaken of late. If it should be seriously disturbed a further and serious decline in the value of the franc would seem to be inevitable.

NEW YORK FUNDS

	High	Low	Last year High	Last year Low
Dec. 20	2 9-16	2 17-32	1	25-32
Dec. 21	2 5-8	2 9-16	27-32	25-32
Dec. 22	2 9-16	2 9-16	53-64	25-32
Dec. 24	2 9-16	2 9-16	53-64	51-64
Dec. 26	2 9-16	2 17-32	7-8	53-64

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Dec. 20	4.35⅞	5.17	4.32½
Dec. 21	4.34⅜	5.10½	4.31½
Dec. 22	4.34¼	5.05¼	4.31½
Dec. 24	4.34⅜	5.07½	4.32¾
Dec. 26	4.33⅞	5.01½	4.32¾

Staff Gossip

F. E. Price, of Chesterville, a former manager of the Molsons Bank here, has been transferred to Norwich.—The Journal, St. Thomas.

* * *

L. Fothergill, of the main branch of the Bank of Montreal, London, Ont., has received word to report at Little Current, Manitoulin Island. Mr. Fothergill is well known in Owen Sound.—The Sun Times, Owen Sound.

* * *

K. K. McCallum, of Stoughton, Sask., has assumed the position of manager of the local branch of the Bank of Nova Scotia. Mr. Leavitt, acting manager since the former manager, R. T. B. Bonnegan was transferred to Chester, Nova Scotia, has gone to his home in Montreal.—The Examiner, Peterborough.

* * *

An important change has been made in the staff of Molsons Bank. Mr. Gundersen, accountant, has been transferred to the bank's offices in Hamilton, where he will occupy the position of assistant accountant. He is being succeeded here by W. H. Brett, who began his banking career in Molsons Bank here several years ago.—The Advocate, Trenton.

* * *

The many friends of E. J. Melanson, manager of the Dalhousie branch of the Provincial Bank, regret to hear that he is compelled to take a two months' rest on account of having undergone a surgical operation recently. He is convalescing at his home in Shediac.—The Journal, St. John.

* * *

J. F. Shaw, the manager of the Edmonton branch of the Molsons Bank, has been temporarily transferred for special duty to Revelstoke, B.C. B. E. McQuaig, the accountant of the Winnipeg branch of the Molsons Bank will temporarily take charge of the Edmonton branch during Mr. Shaw's absence from the city.—The Bulletin, Edmonton.

DOMINION

Announcement has been made that the directors of the Dominion Bank have declared a general Christmas bonus to the members of the staff throughout the service.

Regent
West Adelaide
Near Yonge
Cameron Matthews
English Players
WEEK OF DEC. 31
Will Present Oliver Goldsmith's
Delightful Costume Comedy
"SHE STOOPS
TO CONQUER"
Special Mat. New Year's Day

Special Investigations
for
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TORONTO

ROYAL

A Christmas bonus of five per cent. of the annual salary of each member of the staff was voted by the board of directors of the Royal Bank of Canada.

The Royal Bank of Canada

GENERAL STATEMENT

30th NOVEMBER, 1923

LIABILITIES

Capital Stock Paid up		$20,400,000.00
Reserve Fund	$20,400,000.00	
Balance of Profits carried forward	1,085,830.67	
	21,485,830.67	
Dividends Unclaimed	8,283.34	
Dividend No. 145 (at 12 per cent. per annum), payable 1st December, 1923	612,000.00	
Bonus of 2%, payable 1st December, 1923	408,000.00	22,514,114.01
		$42,914,114.01
Deposits not bearing interest	$109,575,137.96	
Deposits bearing interest, including interest accrued to date of statement	311,759,127.18	
Total Deposits	421,334,265.14	
Notes of the Bank in Circulation	31,226,541.74	
Balances due to other Banks in Canada	856,886.55	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	14,055,924.38	
Bills Payable	4,744,757.90	472,218,375.71
Letters of Credit Outstanding		23,226,065.17
		$538,358,554.89

ASSETS

Current Coin	$16,946,169.28	
Dominion Notes	29,446,597.25	
United States and other Foreign Currencies	23,711,772.49	
Deposit in the Central Gold Reserves	11,500,000.00	
	81,604,539.02	
Notes of other Canadian Banks	2,750,470.11	
Cheques on other Banks	24,987,366.06	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	22,290,159.04	
Dominion and Provincial Government Securities, (not exceeding market value)	28,783,050.46	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian (not exceeding market value)	15,900,363.08	
Railway and other Bonds, Debentures and Stocks (not exceeding market value)	10,436,951.81	
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover	16,307,367.43	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover	30,065,207.61	$233,125,474.62
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	157,738,785.51	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	104,487,764.09	
Non-Current Loans, estimated loss provided for	2,496,418.34	264,722,967.94
Bank Premises, at not more than cost, less amounts written off		13,560,168.21
Real Estate other than Bank Premises		1,734,512.43
Mortgages on Real Estate sold by the Bank		387,890.79
Liabilities of Customers under Letters of Credit, as per contra		23,226,065.17
Shares of and Loans to Controlled Companies		252,346.00
Deposit with the Minister for the purposes of the Circulation Fund		1,020,000.00
Other Assets not included in the foregoing		329,129.73
		$538,358,554.89

NOTE.—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris. As the entire capital stock of The Royal Bank of Canada (France) is owned by The Royal Bank of Canada, the assets and liabilities of the former are included in the above General Statement.

H. S. HOLT,
President

C. E. NEILL,
General Manager

AUDITORS' CERTIFICATE

We Report to the Shareholders of The Royal Bank of Canada:

That we have checked the cash and verified the securities of the Bank at the Chief Office at 30th November, 1923, as well as at another time, and we also during the year checked the cash and verified the securities at the principal branches.

That we have obtained all the information and explanations required by us.

That in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

That the above Statement has been compared by us with the books at the Chief Office and with the certified returns from the Branches, and in our opinion it is properly drawn up so as to disclose the true condition of the Bank as at 30th November, 1923, and is as shown by the books of the Bank.

S. ROGER MITCHELL, C.A.,
W. GARTH THOMSON, C.A.,
of Marwick, Mitchell and Co.
JAMES G. ROSS, C.A., of P. S. Ross & Sons.
} Auditors.

Montreal, Canada, 26th December, 1923.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1922	$1,007,514.19	
Profits for the year, after deducting charges of management, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills	3,909,316.48	$4,916,830.67
APPROPRIATED AS FOLLOWS:		
Dividends Nos. 142, 143, 144 and 145 at 12% per annum	$2,448,000.00	
Bonus of 2 per cent. to Shareholders	408,000.00	
Transferred to Officers' Pension Fund	100,000.00	
Appropriation for Bank Premises	400,000.00	
Reserve for Dominion Government Taxes including War Tax on Bank Note Circulation	475,000.00	
Balance of Profit and Loss carried forward	1,085,830.67	$4,916,830.67

H. S. HOLT,
President

C. E. NEILL,
General Manager

Montreal, 26th December, 1923.

THE FINANCIAL POST

Member of the Audit Bureau of Circulations.

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Vice-President - - - - HORACE T. HUNTER
Manager - - - - - - - GORDON RUTLEDGE
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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, DECEMBBER 28, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

WAGES AND RENTS CUTTING PROFITS

TAKING a conservative view of the stock market prospects for 1924, Goodbody & Co., New York, express the belief that wages, rents and operating costs are abnormally high and will drain away profits in many industries, almost as fast as they are made. Increased efficiency may save the day in some industries. This is most likely to occur through stock ownership by employes or some other form of profit-sharing that will nullify the time-killing methods of the labor unions. Improved machinery and processes may save the other industries.

For some of the most important industries, Goodbody & Co. see small or no profits, in 1924, because of an excess of producing capacity in view of the restricted post-war markets. The industries likely to suffer most because of over-development and cut-throat competition are those of wheat, cattle and hog raising, steel, copper, tire, leather, shipping and meat-packing.

MORE CALLS TO FAITH ARE NEEDED

SOME of the recent addresses of E. W. Beatty, president of the Canadian Pacific Railway, have been inspiring calls to faith in Canada. There ought to be more leaders in business, politics and learning, who would be willing to give of their time and energy to making the Canadian people see the real future that is ahead of them—if they will but throw off the deadening yoke of pessimism that hangs heavy on the nation.

Canada needs people; Canada needs capital but more than any of these Canada needs faith. It can be nothing less than an utter lack of confidence in our own country that has kept us from pursuing policies on immigration that would lead to expansion.

Some time ago another of Canada's leaders in finance. A. E. Ames, quoted the biblical phrase regarding faith, hope and charity—"and the greatest of these is charity." "I sometimes think," said Mr. Ames, "that the greatest of all is faith."

He made his statement just at the close of a great Victory Loan campaign in which Canadians by the thousands had demonstrated their faith in their country.

Canada has fertile areas to feed and support millions more people than we have here; we have gold and silver and other minerals in greater abundance than any other spot on the face of the globe; we have timber limits that have attracted the longing eyes of the world's users of wood; we can be a self-contained nation if we want to make ourselves that. There is nothing that can make a nation that we have not got in abundance except men, money and faith. And the first of these is faith.

Mr. Beatty by his inspiring addresses at various public gatherings throughout Canada is giving us faith in ourselves. It would be well if thousands more would see the vision of the Canada of the future that he has seen.

LABOR'S DOMINATION OVER AGRICULTURE

A FEW weeks ago the radical labor leaders proposed to stage a railway strike in Western Canada just at the season when the crop movement would be at its height. The following dispatch is quoted from the daily press:

> "Urging a general tie-up of the Canadian railway lines during the height of the Western grain rush as the only means of forcing the Railway Association of Canada to accede to demands of railway workers for increased wages and other conditions, 'a call to action,' will be sent out by the One Big Union, to ascertain the prevailing sentiment of both organized and unorganized railway workers throughout the west, R. B. Russell, secretary of the Central Labor Council, announced."

On the surface this was a threat against the railways, but, as emphasized by the Farm and Ranch Review, it is actually a threat directed primarily against the farmers and, secondarily, against organized society. This is how Editor Peterson sees the situation from the farmers' standpoint:

> "If the railways are compelled to increase the wages of their employees, they may agree with a certain amount of complacency. The increased operating cost is simply transferred to the rates at which freight is carried. It will be so and must be so. Otherwise the railways could not function. Consequently, the railways are, comparatively speaking, only mildly interested. On the other hand, if transportation is going to cost the farmer more than it does now, and if, during the settlement of this dispute, his grain is going to be compulsorily held off the market and probably be sold later on at a discount, he will be just so much nearer the state of being broke. This, therefore, is essentially the farmers' quarrel. Last year we secured a reduced rate for our east-bound grain by reason of the Crow's Nest Pass agreement and the lake carriers promptly stole it from us. Now, we hope to get a few cents more per bushel on account of the formation of the Wheat Pool, and organized labor is preparing to rob us of that! It is a great life. Bolshevists have almost succeeded in reducing our farmers to the level of serfs, while they themselves live on the fat of the land on the product of a 44-hour week, and, largely, at the expenses of these said farmers."

It is well that the farmers should realize this situation—that labor is the dominating factor in the cost of living and the cost of agricultural and other production. It is high wages on the one hand and the deflated buying power in export markets on the other, to which the inadequate margin of profit accruing the farmer can be charged.

SINGLE TAX BAD IN A SLUMP

IT IS not necessary to go out of Canada to learn how single tax, such as is proposed for Toronto, works out. Medicine Hat, Alberta, a few years ago went into this innovation, farther perhaps, than any other Canadian city. It was not a success. It has been abandoned.

Medicine Hat discarded business and other taxes to raise revenue by a land tax. A depression came, tax payments fell off. Tax sales attracted no buyers; they proved a bill of expense. At one sale, about 1915, 750 parcels of vacant land were offered. Less than one-third were sold. The rest reverted to the city.

Not only did the city not get the taxes, but it lost heavily in advertising, etc. Single tax failed to produce the necessary revenue. A business tax was the first step back to the old order. Tax sales were abandoned. The city feared that it would come into ownership of further vacant land. To clear up the heavy arrears it wisely got special legislation to collect through the courts. Only in this way was it able to clear up the arrears owed by residents of Alberta. Those outside the province are immune, and many of the latter owe more taxes than their land is worth to-day.

Calgary and some other Western centres also own considerable property as a result of single tax experiments. Now they are trading off inside lots for outside ones hoping to curb expenses by eliminating possible extensions of local improvement of which the city would have to pay a share.

Single tax may work well in boom times but the deflation period in the west showed up its weaknesses.

THE PROPER FIELD FOR CO-OPERATION

IN A recent address, Anders Neilson, president of the Co-Operative Bank of Copenhagen, outlined the history of agricultural co-operation in Denmark. By 1882 Denmark had begun to find grain growing unprofitable, but did not see that much could be accomplished in improving conditions in this branch of agriculture, so the farmers turned their attention first to dairying.

There were in Denmark some 2,000 larger estates and some 70,000 small farmers. The larger estates were producing butter on a scale that enabled them to offer export lots and employ experts. They were receiving 38c per lb. whereas butter produced by the small farmers was realizing only 24c. Co-operation began in order that the small farmers might secure the advantages of quantity and quality. The movement gradually achieved success in both these respects and was extended to egg and bacon marketing. The larger estates still do business independently, but the co-operatives now supply 80 per cent. of the milk production, 85 per cent. of the bacon exports, and 25 per cent. of the egg exports.

In any commodity where facilities for bulk handling are lacking and quality and grading are not established, there is the big field for co-operation. In the grain market, however, The Grain Trade News declares, there are perfect facilities for bulk handling and grading, and no argument in favor of co-operation in grain marketing can be drawn from the experiences of Denmark, for co-operation in that country was merely designed to bring about certain conditions already provided for grain; there is no instance yet of successful co-operative effort merely to affect prices or margins in handling.

MAKING MONEY FROM PASSENGER TRAFFIC

THE experience of British railroads has been to show that money can be made out of passenger traffic. On this continent in both the United States and Canada the railway dividends are earned out of freight traffic and passenger traffic is regarded as a necessary evil.

The British experience is now bringing forth the suggestion that reduced passenger rates on Canadian railways might bring about larger revenues and profits on this class of business instead of deficits. The suggestion is particularly interesting in view of the fact that Sir Henry Thornton, present chairman of the Canadian National Railways, is an expert in English railroading methods and once made the statement that the Great Eastern Railway Company, of which he was then general manager, paid its dividends from the third class passengers. For the month of August, 1923, following a general reduction in fares, there was an increase in the number of journeys on the British railways, excluding season-ticket holders, or what we call commuters, and travelers on the London tubes and Metropolitan District Railway, corresponding to our city subways, of 10.6 per cent. over August in the previous year. It is noteworthy, also, that the journeys made at reduced fares increased by 11,272,900 while those at the fares which had not been reduced decreased by 2,732,357. In other words, the lower fares attracted more passengers and made more money for the railroads, which is the important consideration. Every railroad man accustomed to handling freight knows what empty-car mileage is. But for a passenger train running a distance of a hundred miles with its accommodation half-filled there is, in practice, a non-production to the extent of fifty empty-car miles for the whole train.

It looks absurd to carry a third-class passenger a hundred miles to the seaside and back to London for something under two dollars. But when it is possible to put fifty such passengers in a single car and make up cars in trainload lots there is no first-class freight which begins to compare in point of profit, and the English railway does not guarantee a seat for every passenger. This is the theory on which the New York subways are run, to the exclusion of part empty-car mileage.

EDITORIAL NOTES

NEWSPAPER heading: "Bricklayer Drops Dead while Shovelling Snow." And it was a light snowfall too.

* * * *

ALBERTA has more automobiles this year than ever. The record of licenses issued has passed the 40,000 mark. An automobile-buying crop is no doubt also proving a debt-paying crop.

* * * *

LABOR has been one of the big factors in raising the cost of production of western wheat this year and thereby reducing the margin of profits to the farmer. E. H. Hutton told the delegates to the Western Canada Livestock Union at Victoria, that the situation in respect to high cost of operation, especially the high cost of labor, is serious and no solution to the problem is apparent at present.

* * * *

ONE of the canniest of the old-time traders, on being asked his views on the future of the stock market, once answered by saying that in his judgment some stocks would go up and some would go down. This old-time version was brought up to date by a present-generation member on the floor of the Exchange, who expressed the opinion that "good stocks look particularly good and poor stocks look extremely poor."

* * * *

UNDER the caption, "Things to Think About," the December letter of the American Exchange National Bank of New York states that "from 1910 to 1920, population increased 15 per cent., building increased 300 per cent. and the supply of skilled labor decreased 20 per cent. The decrease in the skilled labor supply in the face of an increase in population and in building operations is attributed to control of apprentice admissions to the labor unions."

How Effort to Impose Capital Levy Would Defeat Itself

Would Trust Funds, Capital of Insurance Companies, Banks, etc., be Assessable?—Result of Levy Would be Overwhelming Demand on Money Market

By James Mavor Ph. D.

The possibility of a Labor government in Great Britain is not remote. If the Labor and Liberal parties unite upon a "vote of no confidence," Mr. Baldwin's government must be defeated, and a Labor government is the inevitable consequence. Such a government would then run the risk of being defeated in turn by a temporary combination of Conservatives and Liberals on a similar vote of "no confidence," or on a vote in respect to one of several planks in the Labor platform, upon which the Labor party could hardly expect to have more than a fraction of Liberal support. Unless that fraction amounted to more than one half of the Liberal party, the Labor government must be defeated. Then would follow an appeal to the country. What would be the issue? There seems little reason to doubt that one of the issues if not the principal issue would be a levy on capital. What would that mean?

Before a levy on capital could be made, there would first of all be necessary a census of property. Such a census would inevitably take a long time and cost a large amount of money. That it could be done there is no doubt. When it was completed, it would be necessary to determine precisely what forms of property were to be regarded as capital, and therefore properly assessable for the purposes of a levy. There would meanwhile arise the questions: 1, what, if any, forms of capital as so determined were to be exempted from the levy? and, 2, what was to be the inferior limit below which individual holdings of capital were to be exempted?

It may go without saying that all capital in the possession of public bodies, central and local authorities, public trusts and commissons of all kinds—would be exempted. A question, however, would arise as to the exemption of capital funds held by private trusts even if these funds were customarily applied to public or quasi-public purposes, e.g., charitable, ecclesiastcal or educational trusts. Would the capital funds of, for instance, the London city companies, partly devoted as their income is to charity, to pensions, and to education, as well as the funds of the guilds, incorporated trades and other similar institutions throughout Great Britain, be exempted or not?

Would the funds held in trust by the court of chancery and by other courts and public trustees be exempted or not? Would ecclesiastical and educational endowments, invested as they are in all kinds of securties, be exempted or not? If such funds were exempted, those joint stock companies in which they were invested would enjoy an advantage over others, because the stocks held in respect to these investments would be non-assessable, and therefore would not be thrown upon the markets. There are many other doubtful categories. Would the holders of public funds be assessed in respect to their holdings? and would such an assessment not be tantamount to repudiation by the state of obligations incurred by it?

Would the capital of insurance companies be assessable or not? If they were, the security of the policyholders would be diminished. Would the capitals of banks and other financial institutions be assessable? If they were, the security of the depositors and note holders would be diminished. Would the capital of co-operative societies be assessed? If they were, fresh capital would have to be raised by them, because they rarely have more than is necessary to conduct their business. Would joint stock companies be assessed as a whole? or would the individual stockholders be assessed in respect to their holdings? If so, many joint stock companies with large bodies of small shareholders would be partially or wholly exempt. Would land be assessed as "capital," and would that portion of the total capital of joint stock companies which is invested in land be assessed as capital? Would mortgages on land be assessed, and, if so, would the assessment of them be really a tax upon land, which is otherwise already taxed? Would capital funds held for the payment of annuities be assessed? Would the total capital of railway companies be assessed, or only a portion of it, and on what principle should the assessment be made? If a railway company had sold bonds to provide for an extension of the line, would these bonds be assessed either in respect to the company or to the bondholders? Would the funds laid aside by a company to provide for compensation for accidents to workmen or others be assessed? Would a foreign company having a London office be assessed upon the whole of its capital wherever it was employed, and would a British firm having its office in London but its capital employed abroad be similarly assessed?

When all these questions, really very complicated, were settled, and the list of those whose capital was properly assessable, with the gross amounts and the prospective amounts of the levy all duly drawn up, what then? To facilitate clear understanding of the problem, it is expedient to take a concrete instance. Let us suppose the case of a manufacturing firm, not a joint stock company. The capital of such a firm may be regarded as consisting of three important fractions: 1, the capital invested in land, buildings, and machinery; 2, the circulating capital required for the payment of wages, and other charges incident to production. This capital is continuously depleted and replenished, but a certain amount must be kept available, otherwise the business could not be conducted; 3, reserve capital consisting of depreciation funds for replacement of worn-out machinery, funds for manufacture for stock in case of temporary decline of demand, funds for the equalization of dividends, funds for provision of bad and doubtful debts, and the like.

It is fair to assume that, in general, in such industrial enterprises, the gross amount of these various forms of capital is no more than is necessary to secure the continuity of the enterprise. What would be the consequences of a levy upon such a capital? One or other of two consequences must ensue, either the enterprise must abandon the proportion of each of its forms of capital required by the state—twenty-five per cent. or fifty per cent., as the case might be, or a loan to this amount must be raised in order to pay off the burden and to retain the property. It is true that a similar situation would arise if, in consequence of the death of a partner, it came to be necessary to pay out his heirs. Such a contingency is, however, not so frequent as to cause heavy simultaneous demands upon the money market for loans of this kind. If a capital levy were made upon all firms, such as that described, the demands upon the money market would be simultaneous and overwhelming. If, now, we take another case, the case of a joint stock company or corporation. In such a case, the total capital stock of the company might be taken as representing the totol invested capital; but to do so might or might not be just either to the state or to the company. There are many joint stock industrial enterprises, the stock of which is not dealt in on the exchanges, and the marketable value of which is not readily ascertainable. I have in mind a joint stock enterprise, the nominal capital of which is £100,000; but the real value of this capital under normal conditions would probably be five times as much, no sales of stock having been made for many years and the business having been extended out of profits without any addition to the nominal or registered capital.

It is clear that a private firm or a joint stock company which conducted its business with due regard to its continuity and accumulated reserves to that end instead of paying out all its earnings in dividends would suffer more under a capital levy than a concern which pursued a less sound and less socially advantageous policy.

Assuming that by the aid of skilled accountants the Inland Revenue Department was able to deal fairly with all such cases, there would remain the question, how are the stocks, which are to be levied, to be dealt wtih. Again, there is an alternative, either the stocks must be borrowed upon or sold in order to provide for the amount of the levy. In either case, the demands upon the money market would be simultaneous and enormous. These demands would amount to nothing less than the liquidation of from one fourth to one half of the capital invested in industrial enterprise in Great Britain. I have spoken of the money market as the source from which credit might be obtained for the purpose of meeting the levy either by loans to the enterprises upon the security of the capital upon which the levy is laid, or to those who might purchase the stock of joint stock enterprises. How would the money market fare under a capital levy? The capitals of all banks would, if these were assessed, be depleted by from one-fourth to one-half of their amounts. The effect of this would be precisely the same as if the banks had incurred losses to the amount in question. The security of their deposits would decline, deposits would be withdrawn and the whole fabric of credit would be shaken.

Into a market so perturbed, there would come demands for fresh credits to meet the requirements of the government levy upon capital. The inevitable consequence of these demands would be shrinkage in value of all capital, so that it is wholly conceivable that the only result of the capital levy would be the destruction of credit, the return to the government in respect to the levy being insignificant.

In the minds of those who urge a capital levy, there seems to be a latent illusion to the effect that capital possesses an absolute value a portion of which may be appropriated by the state. That this is an illusion is evident. Apart from other causes of fluctuation in the value of capital, the reactions of the levy alone must produce shrinkage of value of capital in certain forms—factories, for instance, and increase in the value of other forms, loanable capital, for instance. Thus, owing to the demand for loans which must ensue upon a levy, the rate of interest would inevitably rise sharply, and this rise in the rate of interest would be accentuated by the scarcity of capital, due partly to the heavy domestic demands and partly to the flight of it to foreign countries.

There seems no reason to doubt that already in anticipation of a capital levy there has been an important "flight" of British capital abroad. It is very clear that if a depositor in a London bank anticipated a levy upon his bank as well as upon himself, he would withdraw his deposit and place it in a bank in the United States, for instance, where he felt reasonably sure that a capital levy might not be made. Even if the act for the levy were so drafted as to involve a levy upon capital held abroad, he would still be wise to export it, because the security of the remainder would not be imperilled by a levy upon the bank to which his deposit was intrusted.

It is not improbable that together with the capital levy, if such a levy is imposed, there may be a project to assist the banks to carry through the enormous financial operations a capital levy would involve by the issue of treasury notes and the "lending" of these to the banks. Nothing can be more certain than that this form of inflation would have precisely the same consequences as any other form, and that sterling would drop to points far below the lowest it has yet reached. British credit has recovered rapidly from the strain of the war; but further inflation would nullify the progress it has made toward complete recovery and postpone for a generation or more return to normal conditions. Neither the Labor party nor any other party can play with credit without smashing it, to their own eventual undoing, as well as to the embarrassment of the nation. There can be no question that the decline of credit and the curtailment of industry, which must follow a capital levy, through the diversion of credit and funds into governmental channels, would have as one important consequence an increase in unemployment, already of sufficiently grave dimensions.

It might be alleged that the funds realized by the capital levy would be employed for the purpose of cancelling obligations of the state, and that therefore they would at once return into circulation. It is true that they would be so employed; but that they would return into circulation is by no means certain. Even if they did, the disturbance to credit and to industry would still have occurred, and the country would still be suffering from these. But if a "flight" of capital from Great Britain began seriously it would go on, and, while money would be cheap and plentiful in some other countries, and principally in the United States, it would be scarce and dear in Great Britain. The security hitherto enjoyed by capital in that country would have been diminished and a heavy premium of insurance against loss would be demanded, and would have to be paid. In other words, the large capitalists would get back their own, and more than their own, and the people of small means, and most of all the working people, would alone suffer.

Where Finance Meets Nature Face to Face

From Our Own Correspondent.

MONTREAL—Next to Edinburgh, Montreal offers more contrasts than any other city in the world. Nowhere is this more marked than in the financial district of the city—the financial heart of Canada. Hens and chickens are raised next door to the Montreal Stock Exchange, and in the shadow of a dozen big banking and business structures around the Place d'Armes domestic animals roam at will. On an ancient flag-stone pavement, be-cassocked priests wander up and down at their prayers.

Behind the broad stone wall that faces on Place d'Armes beside the huge parish church of Notre Dame all is mystery to the average passer-by. But those who have offices in some of the larger buildings around can look down behind the wall. They see a wide expanse of green meadow surrounded by the austere stone of the parish church and its surrounding wall. They see little gardens that are kept flourishing in the summer; fruit trees; a grape arbor; a hen coop and other semblances of bucolic simplicity amid the mad rush for riches all around.

The clatter of voices on the floor of the exchange where mighty deals are put through and millions of dollars change hands in the course of a year, is echoed in the summer time by the proud cackle of the parish hen that has just laid an egg.

PERSONALS

ROBERT H. EASSON, vice-president of the Otto Higel Co., Ltd., whose death took place on Sunday, was one of the recognized leaders in the music trades industry and was well known in manufacturing circles throughout Canada. He was the second son of R. F. Easson, one of the oldest telegraphers in Canada, who played an important part in organizing the press news services. Mr. Easson was born in 1873. As a young man he was for ten years with the firm of Samuel Benjamin & Co., and from 1900 to 1904 was manager of the audit department of Jenkins and Hardy. In that year he joined the Otto Higel Co., and two years later became vice-president. He was a past president of the Toronto branch of the Canadian Manufacturers' Association.

JOHN BAILLIE, of Montreal, who died recently was vice-president and managing director of Dominion Oilcloth and Linoleum Co. He was also president of Canada Linseed Oil Mills; director, Dominion Textile Co.; director, Penman's, Ltd.; director, Dominion Glass, and director, Canadian Converters, Ltd. He was ex-president of Montreal Board of Trade. He was born in Montreal in 1858 and educated at Arnold's and McGill model schools. He began his commercial career in the paint, oil and chemical business, and in 1882 organized a company of this kind under the name of John Baillie & Co. He sold this in 1886, when he became connected with the firm of which he was managing director until his demise. He served in the militia with the Victoria Rifles from 1877 to 1884. He was a life governor of the Montreal General Hospital, the Western Hospital, Children's Memorial Hospital, and the Protestant House of Industry and Refuge. Another of his interest was McGill University, to which he had been a generous giver. Besides golf the deceased took an interest in curling, riding, fishing and yachting, and was a member of several of the most prominent Montreal clubs. Mr. Baillie was stricken while playing golf at Royal Montreal Club.

The Nova Scotia Evaporators are making large shipments of apple pomace to Rotterdam. This material is originating at the various Annapolis Valley plants of this firm.

A Business Man's Investments

A business man, because of his association and experience, is usually in a position to bring considerable judgment to bear on investment matters. Hence, in making investments, after laying a sure foundation of the most unquestionable type of securities, such as government and municipal bonds, many business men desire to invest in the well secured bonds or stocks of outstanding Canadian industries or institutions.

Among the outstanding business man's investments in Canada are the securities of:

Canadian Pacific Railway Co.,
Shawinigan Water and Power Co.,
Laurentide Co., Ltd.,
Bell Telephone Co. of Canada,
Belgo Canadian Paper Co.,
Howard Smith Paper Mills, Ltd.,

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

WHALEN PREFERRED

C.A.C., Ontario.—What is your opinion of Whalen Pref. stock?

Whalen is in the hands of a receiver. Refinancing is necessary. It will take some considerable time to work out the future of this company. It has been claimed that there were sufficient assets to take care of the bonds and pay 100 cents on the dollar for the preferred. However, in the reorganization your holding may be cut down.

C. W. DOME LAKE

Reader, Vancouver.—What is your opinion of Consolidated West Dome as a purchase?

As recently stated in THE POST, Consolidated West Dome seems to be selling out of line with those of mines in a similar position. The mine is in good shape, and the secretary assures us it is amply financed. Selling on the part of financially embarrassed insiders is said to be the cause of the market weakness.

BROMPTON

Reader, Winnipeg.—Would you be good enough to submit through your columns your opinion on Brompton common as a margin buy. In view of reported good earnings is it not likely that they will declare a dividend at their annual meeting?

Preliminary estimates are that Brompton will earn about 8 per cent. on its common shares this year, as against about 5 per cent. for 1922. The company has had an excellent year and early attention to the question of resuming common dividend payments can be expected. But there has been no official suggestion from the directorate as to what may be expected. The stock offers a very reasonable speculation at present levels.

BROWN PROCESS

Stratford Realtor. — What are the chances of Brown process for extracting potash? Is it a good investment?

The Brown Process is designed for extracting potash and aluminum from feldspar. The process is declared a success, but as yet successful working methods have not been devised, although Mr. Brown states that he just about has this problem solved. Feldspar authorities say it should prove a money maker if it pans out. The venture is still quite speculative.

HATTIE GOLD MINES

Weston Inquirer. — What are the chances of Hattie gold stocks around the present prices?

Hattie is a speculation of some merit. The stock has sold considerably higher, but the price broke when an unfortunate misunderstanding between some of the principals became public and entered the courts. Mining operations are in good hands and the property is regarded by engineers as being worth the expenditure of considerable money in testing it out. It will take considerable time, however.

GUNNS, LIMITED

Reader, Arrowsmith.—Have just received a statement from Gunn's, Ltd., and it is a puzzle to me. Over a year ago we were advised that the corner was turned in the packing business. What do you think of the situation?

In our industrial number of last week we reviewed the position of Gunn's, Limited. Along with the other concerns of the packing group. it has made good progress, but is not out of the woods yet. It is generally agreed that the industry was overdeveloped and must look to export trade, with world-wide competition.

NIPISSING

Reader, Toronto.—Would you tell me if Nipissing has speculative possibilities outside its own property?

Nipissing has acquired a group of claims in the South Lorrain silver camp. Some of these claims extend to the centre of Lake Temiskaming. This company has also taken up a promising property in Rouyn Township, Quebec. Both of these holdings are regarded as having considerable merit, and, it is believed, were taken up on the recommendation of Cyril Knight, former Ontario government geologist, who recently joined the staff.

CLIFTON

H.T., Indian Head.—Will you enlighten me. I hold a few thousand shares of Clifton mine stock. It cost me 11½; it is now selling at 6¼. Why this break? Debt, disagreement, manipulation, or what?

Since you wrote your letter Clifton has dropped to around 4 cents, and it is likely to remain there until the turn of the year. It is reported that news of importance about the company may be issued after the turn of the year and this may move the stock up to around the price at which you purchased. The mill is closing down, the intention being to diamond drill some other sections of the property.

MINING CORPORATION

M.F., Vancouver.—What are the present holdings or interests of Mining Corporation other than the Lorrain Trout Lake?

Mining Corporation owns an interest in the Lorrain Trout Lake of 500,000 shares. It also owns outright and is operating close to 600 acres in the same camp. Developments to date on these properties have produced enough silver to pay for them, though aggressive mining has really not started. Mining Corporation also owns the Flin Flon Copper property in Northern Manitoba, a gold mine in Russia, several small properties around Cobalt and a gold prospect in Northern Ontario.

TRIPLEX GOLD MINES

F.A.H., Weston. — Please give me a statement as to British Canadian mines. I have been solicited by Major Harrison to invest some shares in the company at 50c a share.

Triplex Gold Mines have been in the courts for some time in an action against Major Harrison and his wife, in an effort to recover some 2,750 [illegible] shares of stock, which, it is said, the major illegally issued to himself. From the facts which came out in the court, including some pointed comment by the presiding judge as to the value placed on the property when sold to the company, it looks as if too great a portion of the company's stock was paid over for the property. There are better mining speculations available at the price.

BRITISH CANADIAN

F.A.H., Winnipeg.—Please give me a statement as to British Canadian mines dealing especially with their title to the Foley mine. What are the prospects for building up a paying company?

British Canadian Mines have Torrens title to the Foley mine. This has been checked, they informed us, by two of Toronto's leading legal firms, and declared to be in perfect order. The property is one of merit and is being carefully handled. The report of the Ontario Department of Mines shows that old operators left a considerable amount of ore developed in the mine and it is the intention of the present company to go ahead with development. Negotiations to raise considerable funds in England are about concluded. The company has an attractive offer. The management of the property is careful and conservative, and the administration equally so.

NORTHERN POWER BONDS

Investor, New Brunswick.—Will you kindly advise if the Great Northern Power Co. bonds, 1937, are a safe purchase at par with 50 per cent bonus of common stock? Has the common any market value yet?

The Great Northern Power bonds stand high in the utility class. They are naturally not as marketable, should you be forced to sell at any time, as government or good municipal bonds. If you have some of the latter to provide against selling emergencies, the power bonds seem attractive.

The company is developing power in the Northern Ontario mining area and there is every reason to believe that the demand for this will continue. These bonds were issued to provide funds for an initial 6,500 p.c. unit of power plant. When completed the earnings on this are estimated to be $275,000 or over 4 times the requirements of the bond interest. It is not likely that the common has any market value yet, as the development only started about a year ago.

CROWN RESERVE AND ARGONAUT

Cobden, Subscriber.—Will you let me know through your paper what you think is the reason for Argonaut with a mill running, is selling at 60 and Crown Reserve without a mill is selling at 69?

Crown Reserve has a good property in Larder Lake that is developing well. It is showing up large ore bodies with values just under $10. The property is in good hands and so is the administration. The stock has been the sole mining venture listed at Montreal for years and for this reason has enjoyed wide popularity. When the new offering came out, there was a ready response and the market soared. There is a feeling in some quarters that right now the market is being supported. It may be that in this way funds are being secured for the mill.

Argonaut is another Montreal venture. It experienced difficulty in handling its refractory ores, but seems to have at last succeeded. This stock, evidently with some support, got up to the dollar mark when it broke. This was the result of Toronto brokers advising their clients to sell when the stock passed the 90 cent mark.

WHALEN PULP AND PAPER

W.O.L., Ontario.—I am holding $1,500 of Whalen 7 per cent. debentures which I bought at 65. They are now quoted at 25 in your paper. What chance is there of them getting back to my purchase price? Do you think the company will be able to redeem them at maturity and also pay the accrued interest?

We cannot advise you as to the possible future of your Whalen detures. As you perhaps know, the company is now in receivership, and recent developments seem to indicate the possibility of a complete change of control. American interests may take charge of the company, and this might involve the final winding up of its affairs, and the payment of the holders of bonds and debentures. In such a deal the debenture holders might be asked to accept new stock upon a basis that would reduce the value of their holdings considerably. All is very indefinite and all we can say is that at the moment there seems to be little likelihood of Whalen debenture holders getting back any definite cash payment for their holdings for some considerable time. As the company is in receivership it might be well to forget any possibility of the debentures being redeemed at maturity, and with the accrued interest. It is more likely that they will be reduced to the status of a stock issue of some kind.

WAYAGAMACK

W. O. L., Ontario. — Would like your opinion in regard to the 6 per cent bonds and also the common stock of Wayagamack?

As you will notice from the annual statement of Wayagamack Pulp and Paper Company, which is now going forward to the shareholders, the company has been able to substantially improve its position during the past year. There has been some weakness in the markets for the company's products during the latter part of the year, especially due to foreign competition, but the company is very well established and seems to have an assured future. The bonds are well protected, and as the company from year to year builds stronger equities into its properties and enhances its earning power, they should work into an even stronger position. The common stock is somewhat speculative. In considering it, it must be remembered that no dividend is now being paid, and while there is no word of the possible dividend policy of the company it might be decided not to put the company on a dividend basis until it is certain that disbursements can be continued without interruption and without danger to the company's working capital position. But the securities offer a fair speculative opportunity, and especially as they are selling so far below the peak price for the first year.

CURRENT OPINION

WALL STREET MOTHER GOOSE

(Wall Street Journal)

A wealthy young trader
Saw everything blue,
So he sold all his stocks
And went short of them too.

When the market went up
This young Bear lost his head,
Now his fortune is gone,
And he's peddling instead.

SAYS CANADA IS WRONG

(Ottawa Citizen)

Canada is in the position of declining to make a treaty with the United States to co-operate in the deep waterway project. At the same time, Canada is unwilling to allow the United States to undertake the project alone. Nor would the Dominion consider doing it alone. When the city of Chicago and the middle states, finding themselves blocked at the point where Canada sits astride of the international waterway, turn to the alternative project of opening up a new channel from Lake Michigan to the Gulf of Mexico—along the Mississippi river route—Canada will again be in the position of protesting and trying to obstruct.

It is sufficiently difficult sometimes for a small country to oppose a more powerful neighbour when the small country is in the right. But when the small country is in the wrong, as the present policy of negation is tending to put Canada in the wrong, it is an impossible position. It cannot go on. Perhaps some recent statements indicate that the responsible ministers are about to give the question the serious attention it deserves.

EXPORTING MILLIONS OF TREES

(Pulp and Paper Magazine)

Officials of the Department of Lands and Mines of New Brunswick estimate that 750,000 Christmas trees have been exported from that province to the United States this season. The other provinces are shipping out Christmas trees in like proportion. The age of these trees will range from 5 to 20 years and the price represents something like 10 cents apiece to the farmer who cuts them, and from 50 cents to $2 or more to the person who buys the trees for a few hours of decoration at Christmas time. This trade is a big thing for the dealers but mighty poor business for the farmer with a wood-lot who would get far more for the matured trees, from which forsooth, he could still sell the tops for Christmas trees and it would be far better for the nation to have the matured wood for conversion into commercial commodities requiring the employment of thousands of Canadian citizens. If the Christmas tree trade is to persist it should be carried on under proper regulation so that instead of being slaughter of future timber it might be a scientific thinning out of the proportion of these that would be submerged later in the development of the forests. Such treatment of the wood-lot would greatly facilitate the growth of the trees that are left and would make possible a selection that would leave the finest trees to develop to maturity. The tops of these trees would be even more valuable as Christmas trees and, in fact, it might be worth the serious consideration of our Provincial Forestry Departments to require that a certain proportion of Christmas trees cut for decorative purposes should be the recovered tops of trees cut for logs or pulpwood. We feel that failure to introduce suitable cutting regulations is likely to result in practical prohibition of the use of Christmas trees. Besides being a very worthwhile economic measure, such a regulation would be a very effective fire preventive measure and life protector.

SIR FREDERICK WILLIAMS-TAYLOR'S SUGGESTION

(St. John Telegraph-Journal)

The suggestion made by Sir Frederick Williams-Taylor in his letter to The Telegraph-Journal, which appeared on Monday morning, with reference to the greater encouragement of public libraries throughout the province, might well be given careful attention by all of those interested in promoting education and making rural life pleasanter and more attractive for the people. There are some localities where there are improvement associations; there are others where the parent teachers associations have taken root; there are many others where there are women's institutes as well as organizations appealing to the men.

If all of these could get together and decide upon some central meeting place where a library could find a home and where it would be available to all of the young and old people seeking after knowledge and recreation, what a common ground of association it would be. There have been so many complaints that rural life is not attractive, and this reason for the departure of the younger people is often found on the lips of those who sincerely regret that personal rural home life is not sufficient to keep the boys and girls away from the cities. The encouragement of libraries and the establishment of a village home where good reading could be indulged in would add to the attractiveness of rural life. Sir Frederick treats the subject in a practical way that will appeal to country people who are thoughtful for the future.

Pulp and Paper and Mine Stocks

H.R.A., Saskatchewan.—Would you advise me as to the following. Would you consider money invested in Hollinger and Nipissing as safe and profitable as money invested in industrials yielding say 7 per cent., such as pulp and paper stocks or bonds on various companies which can be purchased to yield around 7 per cent.

The two mines you mention are on a fairly sound basis and have as well attractive speculative possibilities. The same can be said of many of the pulp and paper issues.

Hollinger is yielding around 5.90 at the present price. It has a cash surplus around $6,000,000. Some of this will be utilized in financing the new power plant and mill extension. Mill production is now 4.700 tons daily and will increase next year to 7,500 tons. Earnings are now on a basis of $13,000,000 yearly. Costs should fall when the mill enlargement is completed. The average recovery per ton it is believed will stand up fairly well. Dividends at the rate of 13 per cent., or 65 cents per share, take up $3,250,000, leaving a substantial sum for surplus account. As the mill tonnage increases, this addition to surplus will increase and the prospects of an increase in the dividend becomes more bright. At the last annual meeting, President Noah Timmins said he desired to get the extensions cared for before considering further dividends. A factor that would enter in considering Hollinger as an investment is the possible life of the mine. No one can give an idea of this. Hollinger holds 600 acres. It has paid roughly $20,000,000 in dividends. It has mined around 50 acres of this total with the bulk of production coming from between surface and the 1,000-foot level. The present formation is known to exist to at least 2,400 feet. Manager Enis, of the McIntyre, adjoining the Hollinger on the north, says he expects best results below 3,000 feet.

Nipissing will this year earn around $1,400,000. The dividend, 12 per cent. with 6 per cent. bonus, calls for the disbursement of $1,080,000, leaving a substantial sum to add to the $4,000,000 odd surplus. Nipissing had 840 acres in Cobalt and this property is far from worked out. It is good for many years yet. From a speculative standpoint, Nipissing stands well because of her recent entry in Rouyn, Que., and South Lorrain, in which promising properties were secured.

The same factor, the life of the enterprise, enters with the pulp and paper, only there is the important difference that with a careful scientific reforestry program a company may renew the life of its reserve, whereas in the mine renewal it is not possible. There is another danger from the pulp and paper viewpoint which adds to its speculative possibilities, that is forest fires. The destruction of a plant and limits by fire would leave a concern in a bad way. Also it could hardly protect itself against such a possibility by insurance, as the cost would be prohibitive. Pulp and paper industry promises to steadily expand in Canada and gives promise of great possibilities. Such issues are popular and enjoy a good market.

In regard to industrial bonds yielding around 7 per cent., there are many excellent bonds of this nature yielding even as high as eight per cent., but many preferred and common stocks are considered more attractive because of their marketability. Industrial bonds that yield 7 and 8 per cent. are either of highly speculative ventures or of good concerns, but lack a ready market. In fact, you will find that either the speculative or market feature are the reason for the high yield on such issues.

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Canada Cement Company.
Canadian Connecticut Cotton Mills.
Canadian Salt Company.
Continental Paper Products.
Donnacona Paper Company.
Drummond Investment Company.
Fraser Companies.
Maritime Telegraph & Telephone Co.
Nova Scotia Tramways.
Ottawa Light, Heat & Power Co.
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Wabasso Cotton Company.
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NEWS AND VIEWS ABOUT BONDS

EXPECT STRENGTH OF BOND MARKET WILL CONTINUE

Opinion Prevails That There is a Scarcity of Bonds for New Year Buying

The bond market continues quiet and steady with the tendency of prices to strengthen. There is a feeling abroad that the market is somewhat shy of good bonds. The strength in Victories, which has been evident for the past week to ten days is being cited as an evidence of this. Particularly is the 1943 maturity pointed to. Some of the interest that suddenly developed in the stock markets right after Christmas, also spread to the bond market for there has been a fair volume of trading with prices, as shown by the Victories, stronger.

Bond dealers look for the strength of the market to continue. Investment buying in the past has steadily developed from the turn of the year on, there being genearally a considerable amount of investment funds, particularly interest payments available. If the view, that the market is somewhat shy of bonds, is a correct one, it is likely that the prediction that firmness is expected to continue, will be fulfilled. Dealers are hopeful for some new issues. No one would predict what might be expected. Of late offerings have not been plentiful.

During the past week no municipal issue was offered by open tender. MacKay and MacKay made a private purchase from Teck Township, $30,000 6%, 15 year installment bonds, guaranteed by the Province of Ontario. The price was not announced.

Interest centres around the placing of $10,000,000 of Ontario Treasury Notes, 5%, with Dillon Reid and Co. It was impossible to learn what the funds were raised for.

A corporation issue announced is that of Laurentian Hydro-Electric 6½, 10 year bonds, $250,000, sold to Cordingley Pike and Co., the new Toronto house at 99.

HYDRO LEADERS OF ST. JOHN HAVE EVIDENTLY SPLIT

Mayor Fisher to be Opposed —Contractor in Bad Way —Heavy Damage Claims

Despite the predictions of members of the St. John Power Commission, that the municipal distribution system competing with the New Brunswick Power Company would be completed last July, there is every indication that the work of construction will not be finished before the spring. To further complicate matters, an interesting situation has arisen in the ranks of those espousing vigorously the establishment of the competitive distribution system by the city of St. John, through the St. John Power Commission. Mayor G. Fred Fisher, who defeated H. R. McLellan by a wide margin in a recall election in 1922, is to face re-election in May. One of the most startling announcements made in St. John was that R. A. McAvity, a young man who is chairman of the St. John Power Commission, would be a candidate. He is a son of George McAvity, one of the principal figures in the Inglewood Lumber Company, owners of the land on which the hydro station at Musquash was constructed. It is evident that there is a division between the inner group that supported civic distribution of the hydro current in St. John and vicinity. Fisher will seek re-election. When McAvity was appointed chairman of the civic power commission, Fisher was his nominee. McAvity was also one of those instrumental in paving the financial way of Fisher's election.

As another complication, the company that is building the municipal distribution system is in financial difficulties. And still a third complication is the institution of suits before an arbitration tribunal aggregating over a quarter million dollars against the New Brunswick Electric Power Commission, for damages sustained by property holders at Musquash when one of the dams collapsed last June, and destroyed a number of houses and barns, as well as causing the loss of one human life and the lives of scores of cattle and horses.

Brantford Sells Tax Free Victory Issues

Brantford's financial statement for the year to October 31 last shows the gross debt has increased from $5,051,377 to $5,461,070, and the net debt from $3,936,382 to $4,285,427.

The cash revenue of the city for the year 1923 was $1,327,488, and the outlay $1,329,833, showing a cash deficit of $2,345.

The city has decided to sell $25,000 worth of tax free Victory bonds, which are now tied up in sinking funds. These bonds are commanding a high price on the market and as the city does not gain any benefit from the tax free exemption, A. K. Bunnell has advised their disposal. He stated that an opportunity had arisen to dispose of these bonds at a good profit to the city and bonds of equal security could be obtained. He asked permission to make such a transfer. This was granted.

A check, dated August, 1864, given by a disbursing officer during the Civil War and payable to one of the patrons of the First National Bank of Hagerstown, Md., has just been presented for collection.

Private Investor Buys $30,000 Issue of Nelson

From Our Own Correspondent.

NELSON.—An instance of the high standard set by Nelson civic financing is shown in the purchase by a private party of a $30,000 block of debentures which the city had intended to sell early next year.

The bonds, which bear interest at 5½ per cent., have been sold for $98.80.

BOND GUARANTEE IN B.C. OPPOSED BY BUSINESS MEN

Take Stand Province Should Not Back Steel Project

VICTORIA.—According to the Colonist it has been pointed out by business interests that it would be extremely unwise for the provincial government to back the credit of British Columbia to the extent of guaranteeing bonds for $4,000,000 for the purpose of establishing a steel industry in the province. Even with the backing of prominent British iron masters it is argued that the demand for such a guarantee of bonds is at variance with established mining custom and there is no guarantee that British Columbia will be safeguarded against any loss in the future. The Colonist continues:

> Can we afford to gamble in the taxpayers' money on the success of such an enterprise? Is it wise for the Government to enter into partnership and into minority partnership, in one branch of the mining industry when it is not interfering in the competitive arena in any other? Everyone is anxious to see the iron resources of British Columbia developed. It is quite another matter to expect the people of the Province to guarantee bonds to the extent of $4,000,000 as an inducement to a company to start a steel enterprise. If, with the iron resources of British Columbia and the markets available for their products, we cannot compete successfully with established industries without such a large guarantee as is proposed, then it is fairly obvious that the proposal to develop these resources on the scale outlined is wholly premature, and development work, if the time is ripe, should be commenced on a far less pretentious scale and as an economic venture.
>
> The Chamber of Commerce of this city has examined the proposals of the Coast Range Steel Company and has found them wanting. That body opposes the granting of a Provincial Government bond guarantee, and opposes it on solid and substantial grounds. The Liberal caucus, or the Government, or whoever has in charge the finances of British Columbia will be taking a very grave risk if it accedes to the wishes of the company seeking to establish itself in the Province. Mr. John Hart is the responsible minister and his business acumen should tell him that he should not jeopardize provincial funds in pledging them as security to any company which proposes to engage in such an intensely competitive field as that of steel products. The names of the British iron masters and their associates who have promised support to the Coast Range Steel Company are powerful ones in the industry and the bait held out in exchange for a bond guarantee is facially alluring. It is the duty of our Government, however, to view the matter strictly from the standpoint of the finances of British Columbia. In our opinion the Province has already suffered too many losses by industrial subsidies and bond guarantees in the past to be enthusiastic about any new proposal which involves $4,000,000 of the people's money.

WANTS SECURITIES

U.S. Receiver Says They Were Fraudulently Transferred to Canada

Receivers of Atlas Securities Corp., State of Delaware, want possession of $200.000 in securities in Bank of Nova Scotia, Ottawa branch. They claim there was a fraudulent transfer to a Canadian company. J. C. Jolls, Middleton, U.S., who secured a temporary injunction to prevent the removal of the certificates held for Continental Finance Co., Ottawa, claim Rod M. Demme and daughter, Violet Demme, own the majority of shares in both the United States and Canadian companies.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen. Mtge. 6's, 1940	94	96
Ashdown Hardware 5's, 1928	94	..
Brompton 8's, 1941	108	110
Burns P., 6½, 1943	96	99
Can. Machinery, 6's, 1940	72	..
Can. Salt 7's, 1941	100	102
Dom. Sewer Pipe 5's, 1927	94½	..
Dunlop Tire 6's, 1927	99	..
Dom. Iron, 5's, 1939	69	72
Eastern Car, 6's, 1952	88	93
Harris Abattoir 6's, 1926	99	101
Howard Smith 7's, 1941	98	100
K. & S. Tire 7's, 1935	78	85
Lake Sup. Paper 6's, 1931	101½	..
Manitoba Power 7's, 1941	98	101
Massey-Harris 8 p.c., 1930	100	102
Mattagami Pulp 7 p.c. deb.	29	32
Mattagami Pulp 6's, 1927	64	68
Morrow Screw 6's, 1931	80	..
Neilson, Wm., 6's, 1933	99	..
Pedlar People 8's, 1930	100	102
Robt. Simpson 5's, 1952	85	..
Spanish River 8's, 1941	106	108
Western Power 5's, 1949	86	88

ALLEGED PROFITS IN BOND SALE ARE MUCH OVERSTATED

Successful Flotation Meant Team Work by Many Firms

In an editorial the Charlottetown "Guardian" charges that the syndicate which floated the recent $200,000,000 Dominion loan, employed not more than a hundred agents and in two weeks realized a profit of $7,500,000. In fairness to those concerned it should be stated that the figures quoted are erroneous. In the first place the loan was purchased by a small syndicate, which thereby took on the responsibility of putting it over successfully. It was actually sold by a large syndicate consisting of most of the reputable financial firms all over the country and the banks. While a good profit was no doubt realized by some large firms, it must be remembered that these houses have spent years in building up a machine capable of handling financing of this magnitude. Moreover a considerable part of the profit went to the many firms and agents distributing the bonds to private investors. The number of persons distributing the issue far exceeded 200, as claimed. In addition, while the sales tax was nominally completed in two weeks, this only represented the allotment of the bonds. Much selling took place after this time and the delivery of the bonds entailed much routine work not yet completed.

As to profit, the commissions mentioned are grossly exaggerated. The exact price the government received is not known, but it may be presumed to be around 96.50 at least. At this price the profit realized would be $3,500,000, or about half that claimed. If allowance is made for the portion sold in large blocks to investing institutions, on which a reduction in price was allowed, as is customary, this profit is further reduced.

Bond firms in this country occasionally make large profits when a large issue is quickly taken up by investors. However, there are dull times when heavy overhead expenses are borne on a close margin of profit. It can be said with assurance that the commissions secured on many issues are much lower than those prevailing on similar issues in the United States.

Perth County Reduces Total Debt to $1,971

STRATFORD.—Perth county practically abolished its debt when $67,000 of bonds, issued in 1874, were paid off, leaving $1,971 of bonds outstanding.

Forty-nine years ago, in the year 1874, the county gave a bonus to the railways between Port Dover and Stratford, and between Stratford and Wiarton, amounting to $120.000 altogether. Debentures were issued to meet the bonus for 20 years, and were renewed for another 20 years in 1894. In 1914 the county had sufficient money to meet all but $51,000 of the debt.

This is the fortunate position in which many Ontario counties find themselves; an evidence that the modern tendency toward heavy public spending has not yet possessed these sections.

Varied Stock List in Langlois Estate Holding

The late Herbert Langlois, who at the time of his death was Vice-President of the Standard Bank, and on the board of Consumers' Gas, Toronto Mortgage and other concerns, left an estate of $367,750. His stock holdings were many and varied, the list being a quite strong one. It follows:—

Shares	Stock	Value
550	Standard Bank	$59,500
870	Toronto Mortgage	66,990
110	Can. Land & Nat. Investment	8,305
·24	Can. Permanent Mortgage	4,416
55	Real Estate Loan	4,400
100	Toronto Gen. Trusts	20,500
160	Consumers' Gas	25,600
30	W. A. Rogers	2,130
100	Duluth Superior	4,100
150	Brazilian	6,450
80	Dominion Power	7,520
30	Bell Telephone	3,720
50	Maple Leaf Milling	4,200
50	Canada Bread	3,150
25	Canada S. S.	1,187
25	Russell Motor	1,250

INCOME TAXES WHEREVER YOU GO

Members of the Lloyd George party were chatting with reporters while the Mauretania came up the bay and the question of income taxes came up.

"What are Americans worrying about income taxes for?" asked a kilted member of the visitors.

"Nothing gets by the English income tax collectors," he added. "The Beggar's Opera which has enjoyed a phenomenal run of over 3.000 performances was written by John Gay 200 years ago. A couple of weeks ago an income tax blank was mailed to John Gay, Esq., Lyric Theatre, Hammersmith. As the Yankees say, 'can you hit it?' "—Wall St. Journal.

BOND MOVEMENTS OF THE WEEK

Week Ending December 24

Bonds	Int.	Due		Range	1922 Range		1923	Latest Price			
	Rate	Year	Yield	High	Low	High	Low	Ask	Bid	High	Low
Bell Telephone	5	1925	5.65	98	94	101.90	97	—	98	98¾	—
Cedar Rapids	5	1953	5.32	97½	93	98½	93	97½	96	95	94
Dominion Iron	5	1929	7.75	94	82½	94	85	86½	—	87	85
Dominion Textile	6	1925	5.45	101	97¼	101	99¾	—	100	101	—
Montreal Tramways	5	1941	6.00	93½	87½	96½	88½	89¼	—	89	88½
Quebec Railways	5	1939	6.90	87¼	65½	83½	68	81¾	—	81¾	81½
Sher.-Williams	6	1941	5.90	100	96	102½	99	101	100	101	—
Wayagamack	6	1951	7.85	88¾	71¾	86¾	75	78½	78	79	78
Winnipeg Electric	5	1935	6.60	92	88¾	94½	86½	86⅝	—	86⅝	—
War Loan	5	1925	4.79	96.30	96.10	100.95	99.10	100.50	100.40	100.70	100.20
Do.	5	1931	4.89	99.60	96.25	101.80	99.80	100.80	100.70	100.65	100.40
Do.	5	1937	4.73	101.50	99.50	103.30	102.00	102.80	102.70	102.55	.....
Victory Loan	5½	1924	5.24	100.75	99.80	101.65	99.80	100.35	100.25	100.20	100.10
Do.	5½	1927	4.83	102.70	99.70	103.50	101.60	102.50	102.40	102.50	102.25
Do.	5½	1933	4.81	104.35	101.25	106.70	104.15	105.40	105.30	105.40	105.10
Do.	5½	1934	5.22	101.35	98.30	103.90	101.30	102.40	102.35	102.45	102.20
Do.	5½	1937	4.76	106.35	103.00	108.45	106.25	107.65	107.55	107.75	107.30
Do., Renewal	5½	1932	5.26	101.00	99.70	103.15	100.80	101.80	101.70	101.75	101.50
Do., Refund	5	1928	5.15	.....	—	99.70	98.80	99.45	99.35	99.40	99.20
Do., Refund	5	1943	5.10	.....	—	99.25	97.90	98.75	98.65	99.10	98.65

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With the New Year we hope you will receive January Dividends and interest; possibly some of your investments will mature.

May we suggest that the month of December is an excellent investment time? High grade securities selling on a slightly lower basis than in January when the large amount of funds released for investments generally causes an increase in price.

Delivery of bonds bought now may, if so desired, be delayed until after the New Year.

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Preferred and common stocks of Dominion Stores, chain stores in Canada, with headquarters in Toronto, were listed on Boston and Toronto Stock Exchanges this week.

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Bond dealers or investors who are interested in Bonds of American or Canadian States, Counties, Cities, villages or districts can find no more complete or reliable news service than ours. We have been specializing on this one branch of the investment business for over twenty-eight years. We offer you, at a reasonable yearly subscription rate, a news service recognized as
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67 Pearl Street New York, N.Y.

EVIDENCE OF RED PROPAGANDA WHICH STARTLED JUDGE KELLY

(Continued from page 1)

being the organizers of both, and the publications issued by the Ukrainian Labor Temple being the Labor News referred to and others of similar import, and being the publications for both.

3. That instead of the Ukrainian Labor Temple of Winnipeg, being the harmless, benevolent institution its charter would appear, it is recognized by its adherents from Montreal to Calgary as a branch of the Third International, as appears by the greetings sent to its annual convention in March last, which synchronizes with the instructions direct from the Third International published in the March issue of the Labor News.

4. That the proceedings of its fourth annual convention in Winnipeg in March last, show that it is doing the business of its masters at Moscow, and carrying its master's work amongst the farmers as well as amongst the working men, amongst women as well as men, and with the children as well as adults; it has a fully organized school section supervising school teaching and text books in schools being conducted at every one of its branches, and that these text books are such, as expressly stated in a resolution passed at such convention, that the officials of the Labor Temple dare not import them lest they get into trouble with the authorities.

5. That the organizers and officials of the Ukrainian Labor Temple visit the localities where any number of Ukrainians are settled, and openly urge and preach revolution, and that a revolution such as in Russia is coming and must come in Canada, and that Canada must have the same kind of a government, and take all the property away from the capitalists when each of their hearers will get his share; that the church and religion must be destroyed; that priests are black crows; that marriage is an institution of the capitalists; that home and family life is a fallacy and another institution of the capitalists; that all children on reaching the age of 3 months will be taken to a state cradle and women be relieved of further trouble; that desire to live together expressed before a registrar and to part in the same way are the only necessities of marriage and divorce; that there will be no restrictions on number of lovers on either side, frequency of marriage and divorce, etc., etc.; that it is the duty and province of all members to go out amongst their fellow English workers and teach them these truths and persuade them to join in the revolution, which must come.

6. That carrying out these purposes, they worked out the scheme of locating sympathizers in each culture or educational or social society amongst the Ruthenians from coast to coast and securing their appointment to official positions in such societies. then of shifting some members and coworkers from one place to another to help these sympathizers, then of sending in organizers and canvassers to secure adherents in these localities and moving in others and getting them all to become members of such societies; then as soon as a majority of officers and members were secured, of calling special general meetings and changing the name and purposes to Ukrainian Labor Temple and making the society a branch of the Winnipeg Labor Temple, and adding the property of the Ukrainian Labor Temple at Winnipeg, and the society and its members a source of revenue to the central organization, as well as centre and rostrum from which to spread their doctrines amongst adults and children.

Three instances in these two cities and one in Kitchener were given in evidence of this course and result, and if the defendants had not declined to go into the box, probably fifty or sixty might have been given in evidence.

NEW FREIGHTER ORDERED

Matthews Steamship Co. have placed the contract for a 550 ft. Great Lakes freighter. This is taken as indicating that the belief is held that the coastal laws will be changed. Collingwood shipbuilding Co. have the contract, which has been held up for some time.

RUGGLES MOTORS IS HAVING HARD TIME

Two Plans of Solving Troubles Have Failed—In Hands of Creditors

Ruggles Motor Truck Co., London, is having a hard time trying to effect some kind of organization. Two plans have failed and the concern is now in the hands of the London and Western Trusts Company, pending a meeting of the creditors, by an order made by Justice Fisher. This was in response to a motion made by H. B. Frost for Financial Corporation for the assignment to be made. The court order allows the business to be carried on as usual until a meeting of the creditors can be called, probably the first week in January. Working capital is badly needed. It is claimed that the business is on a paying basis.

Back in October a proposal was made to issue $250,000 additional preferred stock, selling to old shareholders. The directors, however, found that the present shareholders would not buy the stock, only one-half the required amount being subscribed. Methods used by salesmen who sold some of the original stock were such as to make it impossible to secure new subscriptions from the same persons, so the plan had to be abandoned.

Later the parent Company at Saginaw, Mich., offered to take over the Canadian plant, paying all liabilities and giving the Canadian company a certain amount of cash. A deposit as a guarantee that the agreement, if signed by both parties, would be carried out was made but owing to to objections from some of the creditors it was withdrawn.

The outlook for the future of the concern is not bright.

CUT IN C. N. LOSS A DEFINITE HELP FOR LOWER TAXES

(Continued from page 1)

year by many millions of dollars and next year by many millions more indicates that the politicians will have to find some other excuse than ever-mounting railway deficits for any delay in reducing taxation.

Every reduction in the operating or actual deficit on the Canadian National Railways is a definite help toward achieving the important end of lower taxes.

Without counting interest or compounded charges, the operating surpluses, as Sir Henry Thornton estimates them, will be as follows:

1922	$ 3,000,000
1923	18,000,000
1924	30,000,000

A Record Year for the Big Chain Stores

NEW YORK.—The four leading so-called five and ten-cent stores—F. W. Woolworth Co., S. S. Kresge Co., S. H. Kress & Co., and McCrory Stores Corp.—are rounding out their best year. For the 11 months ended November 30, combined sales were $275,412,702, compared with $233,851,314 in the 1922 period, increase of $41,561,388, or about 18 per cent. Sales for the 11 months were only $4,856,879 below those of the entire year 1922, which was the banner year for the industry, with a total of $280,269,581. They are considerably in excess of any other previous entire year. In 1921, which in turn was a record year, they were $246,829,543. Increase in 1922 over 1921 was $33,440,038, or 13.5 per cent.

Tenders were called for on December 24th for $70,000 issue of the town of Campbellton, N.B., bearing 5 per cent.

CIVIC AND PROVINCIAL FINANCE

PROVINCE MADE MONEY TURNING TAX FREE BONDS

Hon. John Hart Also Explains Benefits Short Term Issues

VICTORIA. — According to the seventh financial statement of the affairs of the Province of British Columbia prepared by the Hon. John Hart, minister of finance, there has been a continued increase in the surplus of assets over liabilities, the present surplus being over $26,000,000, an increase of more than $1,000,000 over the surplus at the end of the previous fiscal year.

The public debt at November 1st was $71,432,000 from which Mr. Hart deducts $12,000,000 sinking fund, $6,000,000 P.G.E. stock held as collateral and $14,500,000 of revenue producing debt, leaving a net debt of $38,750,000. He points out that the revenue producing debt which earned over $884,000 last year is more than met by charges on that part of the debt. He also explains that while the greater part of the debt incurred by the present government has been for the P.G.E. construction nothing has been taken into account as asset against this liability.

According to Mr. Hart, British Columbia is the only province in the Dominion which fully provides sinking funds for the redemption of all long term debts at maturity. The actual value of the securities held in these funds, cash on hand and uninvested dividends amounted on November 1st to $12,139,000 The greater part is invested in British Columbia inscribed stock and Victory bonds.

Sinking Fund Profits

Readjustments in the sinking funds made during the year resulted in the province making a cash profit of $107,000, adding to its capital sum another $58,000 and securing an additional interest yield of $8,000 for the next fourteen years, according to Mr. Hart. This was done by the province having invested a few years ago in Dominion tax free bonds. By selling these now at considerable premium the province has purchased Dominion taxable bonds bearing the same rate of interest, the profits referred to resulting. Whether bonds are taxable or tax free does not affect their value to the province; no taxes are paid to the Dominion.

Mr. Hart is recommending to the Government that, as the P.G.E. guarantee debt of $20,000,000 has now become a direct liability of the province, a sinking fund be established, commencing next year, to the extent of $200,000 a year with the idea of redeeming a portion of the debt at maturity and refunding the balance.

Short Term Financing

Explaining the benefits which have accrued from his policy of short-term financing—which necessitates heavy refunding in the next few years—Mr. Hart illustrates the first short-term loan which matured a couple of months ago. The loan was paid in American funds and the Government actually got $1,033,000 for $1,000,000 of debentures. Premiums on interest payments and on the payment of the principal amounting in all to nearly $22,000, this together with the amount received as premium on the loan and the actual cost of this loan figured out at 5.47 per cent. The refunding will be effected at an interest rate of not over 5 per cent. Had the Government three years ago floated a long-term loan for Canadian payments at the price then current, which is around 6½ per cent., the result would have been at the maturity of the loan that it would have cost the province almost half a million dollars more than the one refunded on a 5 per cent. basis. Estimating the benefits of other short-term loans on a similar basis, Mr. Hart submits that the province has benefited from this policy to the extent of about $10,000,000.

CHIPPAWA A BIG BURDEN TO THE PAYERS OF TAXES

(Continued from page 1)

under special hydro legislation. It is difficult to set any figure, as the amount that should be deducted for depreciation on a power project. It is usually about 1½ per cent. per annum of capital cost, but setting it at the barest minimum of 1 per cent. the depreciation charged against the Chippawa plant should have been $671,700. This is taking the Hydro's estimate of the cost as accurate.

And in arriving at the actual cost of the power development to the province, it is necessary to consider the Ontario Hydro. Electric Commission pays not a cent. for the use of the water that flows over Niagara Falls. In the province of Quebec the charge works out at about $1 a horsepower and charging this against the Chippawa development we have another $2,75,000 to be deducted from the apparent surplus. As a matter of actual fact the average privately-owned power company pays about $2.50 per year per horsepower in provincial, federal and municipal taxes. This would amount to about $700,000 a year in the case of the Queenston development if it were put on an equal footing with private companies.

But there are other charges, not easily calculated because of the lack of proper information from the hydro or the provincial government that should be charged against the Chippawa enterprise, and not against the general taxpayers of the province. There is the cost of the power plants at Niagara Falls, from which water is being taken to operate Chippawa; there was the discount on the bonds that were sold to finance the work; there is the provision of a contingency account, the necessity for which was demonstrated by the sudden breaking down of an important machine at Niagara Falls last winter; there is a fair proportion of the salaries of Sir Adam Beck and other members of the Hydro-Electric commission official, clerical and engineering staff; and there is, too, the very important consideration that Hydro borrowing affects provincial credits, as all investment bankers are aware, to the extent that Ontario is paying a considerably higher rate for money for other purposes than would be the case if the market were not flooded with Hydro bonds.

WHEN IS TAX DUE ON DEFERRED PLAN?

An Interesting Point Involves Pianos, Autos, and Implement Purchases

The question has again been raised as to the application of the Sales Tax to purchases under the deferred payment plan. This will apply strongly to four branches of industry, farm implements, musical instruments, automobiles and sewing machines. These four lines are sold heavily, some of them almost exclusively on the deferred payment plan.

The contention is that ownership does not pass until the payments are complete. It is also being held that the sales tax is only payable when ownership passes. In fact, the ruling of the Customs and Excise Deparment is to the effect that a sale must be complete and that the property in the article must have passed to the purchaser before January 1, 1924, in order that the present sales tax shall apply instead of the tax under the new act.

W. T. Henderson, K. C., Brantford, has raised the point, and he holds that no sale is made until the last payment is made. A noted New York tax authority has also made the same claim. He held the tax payable when the ownership passes.

Tenders and By-Laws

TENDERS WANTED

Jan. 10, Ottawa.—$1,816,561, 5½%, 10, 15, 20 and 30-yr. instalment debentures. Chairman, Board of Control. (See announcement on page 16).

Dec. 31, Beauport, Que.—$50,000, 5½%, serial bonds, 1924-1938. Henri Delage, Sec.-Treasurer.

Jan., Aurora.—$106,000, 5½%, 30-instal., high school debentures. C. A. Petch, Clerk. (See announcement on page 16.)

Jan. 12, Cumberland Municipality.—$8,796, 6%, 15-yr. W. W. Dunning, Clerk. (See announcement on page 16.)

Dec. 31, St. Charles, Que.—$15,000, 6%, 10-instal. school debentures. Emile Delorme, Sec.-Treasurer of school commissioners, 10 Cadieux Ave., Montreal.

Jan. 7, La Reine, Que.—$2,500, 6%, 20-yr. debs. Frank Foley, Sec.-Treas.

Jan. 7, United Townships of La Reine & Desmeloizes, Que.—$6,000, 6%, 20-yr., debs. Frank Foley, Sec. Treas..

BY-LAWS TO BE VOTED ON

Jan. 5, Fort William.—$373,000 for various purposes.

Jan., Victoria.—$150,000 for High School.

Jan. 7, Collingwood.—$3,300 for memorial park.

Jan. 1, Sarnia.—$200,000 for purchase of street railway.

Jan. 7, Sandwich.—$85,573, 6%, 20-ins., hydro debentures.

Jan., Brantford.—$90,000 for waterworks.

Jan. 7, Brampton.—$5,000 for completion of memorial hospital.

Jan. 1; Kitchener.—$68,000 for various local improvements.

Jan. 7, Orillia.—$50,000 loan to Canada Wood Specialty Co.

Feb., Winnipeg.—$750,000 for exhibition.

Jan. 1, Scarboro Twp.—$12,424 for bridges.

Jan. 7, Woodstock.—$5,000 for soldiers memorial; $20,000 to guarantee bonds of the Bickle Engine Co.

Jan. 7, Essex.—$22,500 for extension to power system.

Jan., Kenora.—$25,000 for improvements to streets and park.

Jan. 1, Owen Sound.—$20,000 for fixed assessment for North Amer. Bent Chair Co.; $25,000 loan to Owen Sound Cereal Mills.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Dec. 13 to Dec. 20, 1923.

Schools—Stove Creek, $1,200; Attica, $1,800.

Telephones—Pleasantdale, $3,344; Big Gully, $250.

Village—Hodgeville, $1,800.

Debentures Reported Sold

Schools—Moose Jaw, No. 1, $25,000, 15 yrs., 6%, Bond & Debenture Corporation. West Slope, No. 657, $1,200, 10 yrs., 7%, Miss Cooper, Bateman. Kenmare, No. 1995, $700, 8 yrs., 8%, R. S. Fleury, Rosthern. Grunert, No. 715, $3,300, 15 yrs., 6¾%, Regina P. S. Sinking Funds. Raspberry Creek, No. 3246, $2,500, 10 yrs., 6¾%, C. C. Cross & Co., Regina. Dublin R. T. Co., $1,000, 15 yrs., 7%, C. C. Cross & Co., Regina. Ivanhoe R. T. Co., $400, 6 yrs., 7%, Mrs. Dowslin, Moosomin.

INFLATED VALUES PROVE DANGER IN REAL ESTATE BONDS

Such Investments Cannot be Grouped—Must be Studied Individually

Real estate bonds cannot be considered as a class, nor can the individual issues of any one company be referred to favorably without investigation of the individual loans. When protected by sufficient equity and maintained by earnings more than sufficient to meet all charges, real estate mortgage bonds rank among the high-grade investments.

Unlike other securities, however, there is nothing tangible upon which to predicate the future. When an industrial corporation, a railroad or a government is to offer bonds for public subscription circulars describing the issue contain a statement of the net earnings applicable to bond interest and sinking fund charges over a period of years, or figures showing the returns from taxes allocated to meet the charges, which definitely establish the ability of the issuing body properly to meet its obligations.

A circular describing an issue of real estate first mortgage bonds cannot give this information because it is customary to issue bonds as soon as the mortgage is recorded and construction begun. It does compare the amount of bonds with the appraised value of the property but the earning power of the uncompleted structure can only be estimated. Inasmuch as the purchaser of the bonds must rely on the judgment of the issuing house for the accuracy of the valuations and earnings estimate **it is obviously of vital importance that the house be absolutely reliable.**

The majority of circulars contain the statement that the amount of bonds to be sold represents from 50% to 65% of the appraised value of the property. Many contingencies, however, can arise in the construction of building which will increase its cost. The responsible underwriting house takes numerous steps to guard against this. In the first place the borrower, who is also the builder, must be financially sound and of long experience and proven ability. He must invest sufficient of his own funds to make successful construction without interruption a matter of money to him, and he must give a guarantee of completion secured by all his assets. In addition the underwriting company itself guarantees completion.

Danger in Inflated Values

In many parts bonds of some leading companies are not legal for investment by trust funds because their loans represent more than two-thirds of the appraised value of the property behind them. On the other hand, bonds issued by companies infinitely less reliable and secured by inferior property may be found enjoying a legal position because they are issued to the amount of ony 50% or 65% of the appraised value of the property.

The explanation lies in inflated values. Often the appraised value has been determined by irresponsible underwriters by the simple process of adding to the amount of the bonds a sum sufficient to bring the loan within the necessary legal percentage. An instance was that of a company offering $150,000 of bonds secured by property whose appraised value was stated to be $300,000. On this basis it was a 50% loan—unusually small. In reality the building was of inferior construction, hurriedly erected, which if examined by reliable appraisers would have been given an accurate value around $200,000. On the basis of the real value these bonds represented a 75% loan—not an exorbitant one if proper construction had assured a low rate of deterioration.

It is on the point of equity in sucured property that the old line guaranteed mortgage certificate houses clash with the mortgage bond underwriter, and between them a more or less acrimonious publicity campaign has been waged ever since the latter's rise to affluence. In this respect, too, the latter's securities resemble most strongly the ordinary corporation bond. Ultimate safety lies primarily not in equity against foreclosure, but in harnessing power to meet all charges, and through amortization to liquidate the mortgage on the improvement by maturity. —Wall Street Journal.

WESTERN CANADA INVESTMENT

Slightly reduced profits are reported by the Western Canada Investment Company during the year ended June 30 last, but the distribution is unaffected, and ordinary shareholders will receive 5 per cent. The accounts show a net revenue of £9,100, as against £10,400 for the preceding year. By the transfer of a further £1,000 out of profits the reserve fund is increased to £17,000, and the amount carried forward is raised from £7,100 to £7,800. The balance sheet shows that the amount owed to the company in respect of arrears of interest has increased during the year by about £1,000 to £7,100, but mortgages on real estate and other securities in Canada have declined from £242,800 to £231,300. On the other side bank overdraft in London figures at £4,200, wheheas a year ago there was an overdraft in Canada of £8,200.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price Basis
Dec.	—Teck Township	Mackay, Mackey, Toronto	6 %	15-ins.	$30,000	. . . .
Dec. 20	—Saskatchewan Schools	Various	. .	. .	34,100	. . . .
		Corporation				
Dec. 20	—Laurentian Hydro-Electric . . .	Cordingley, Pike & Co.	6½%	10-yr.	250,000	99 . .
		Provincial				
Dec.	—Ontario (Treasury Notes) . . .	Dillon, Read & Co., New York	5 %	. .	10,000,000	. . . .

Our Trading Department
At all times we are prepared to submit satisfactory bids for the purchase, in odd lots, of Canadian Government, Municipal and high-grade Corporation Bonds.
Offerings of Victory Bonds of 1933 or 1937 are especially invited.
RENE-T.LECLERC
Incorporated
Montreal:- 160, St. James St.
Quebec:- 74, St. Peter St.
(ESTABLISHED 1901)
32

New Year Greetings
J. W. Wood
H. B. Housser
G. S. Ralston
H. K. B. Bruce
T. D. Hannaford
G. W. Cochrane
R. C. Trebilcock
S. W. Mann
HOUSSER WOOD & CO.
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Government, Municipal and Corporation Bonds
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MARITIME SECURITIES
Bought, Sold, Quoted.
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DOMINION BANK BUILDING
KING & YONGE ST., TORONTO

G. A. STIMSON & CO.
EST'D 1883 LIMITED
GOVERNMENT, MUNICIPAL, AND RAILWAY BONDS
36-38 KING ST. E. TORONTO

The Leading Life Company of the Dominion

Assurances in Force $630,000,000
Assets - - - $170,000,000

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE - MONTREAL

STRICTLY A POLICYHOLDERS' COMPANY
Organized 1869. Opened for Business 1870.

Our Company was established on a purely mutual basis with the sole aim of securing for its members sound life insurance at a minimum cost. There are no stockholders. Profits are allotted to policyholders annually. All approved features are incorporated in our policies, including disability benefit and double indemnity in case of accidental death. The Company has a remarkable record of steady expansion in business, increasing payments to policyholders and growing assets, which last item includes a magnificent surplus—all of which is credited to the members of the Company. After testing other methods of profit-distribution, the management has decided to adhere to the annual dividend system. A very substantial increase in dividends has been decided upon for 1924.

The Mutual Life Assurance Company of Canada
Waterloo :: Ontario

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$80,000,000.00
Policies Issued from $500 to $5,000

G. E. BAILEY, Secretary
W. H. HUNTER, President
G. R. COTTRELLE, Treasurer

A BRITISH COMPANY
UNION INSURANCE SOCIETY OF CANTON
LIMITED
ESTABLISHED 1835
Fire - Automobile - Marine Insurance
TOTAL ASSETS OVER $40,000,000.00.
Head Office for Canada - 36 Toronto St., Toronto
C. R. DRAYTON, Manager for Canada

What the Maccabees Are

The Maccabees has been established for 42 years, and is now one of the largest beneficiary orders in the world, with about 250,000 members.

Besides fraternal advantages, you will enjoy insurance protection in 20 Pay Life, Endowment or Straight Life policies.

The Maccabees operate on adequate rate basis. Premiums may be paid yearly, half-yearly or monthly. Full particulars about our attractive options in our free literature.

Write for it today to The Maccabees, Confederation Life Bldg., Toronto.

Assets $18,000,000
Join the Maccabees
Fraternity & Protection
Benefits Paid over $140,000,000

The Canadian Order of Chosen Friends

A Government endorsed twenty-year paid-up plan.

Whole family life insurance, at Government standard rates.

The best sick and funeral benefits. Double sick benefits, by paying double rates.

An up-to-date child insurance department. Further particulars gladly furnished by corresponding with

WM. BENSON, Grand Councilor, 581 Queen St. W., Toronto, Ont.
W. F. CAMPBELL, Grand Organizer, Hamilton, Ont.
WT. F. MONTAGUE, Grand Recorder-Treasurer, P. O. Drawer, No. 349, Hamilton.

Canada Permanent Mortgage Corporation
Quarterly Dividend

NOTICE IS HEREBY GIVEN that a Dividend of THREE PER CENT. for the current quarter, being at the rate of
TWELVE PER CENT. PER ANNUM
on the paid-up Capital Stock of the Corporation has been declared and that the same will be payable
WEDNESDAY, THE SECOND DAY OF JANUARY,
next, to Shareholders of record at the close of business on the Fifteenth day of December.

By order of the Board,
WALTER F. WATKINS, Secretary.
Toronto, November 21st, 1923.

CANADA PERMANENT MORTGAGE CORPORATION
14-18 Toronto Street, Toronto
Established 1855

5½% Interest Return

INVEST YOUR SAVINGS
in a 5½ DEBENTURE of
The Great West Permanent Loan Company
SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

Canadian Appraisal Co., Limited
Property Values Definitely Established to Meet All Insurance and Accounting Requirements
Toronto, Royal Bank Bldg.
364 University Street, Montreal
New York, Equitable Bldg.

American Indemnity Co. Increases Capital Stock

Stockholders of the American Credit-Indemnity Company voted on December 20 at a special meeting in New York to increase the authorized stock, which has been $350,000 to $1,000,000. A stock dividend of 100 per cent. was authorized and the $300,000 new stock will be offered to stockholders of record on a pro rata basis of their present holdings. The par value of the stock was changed from $100 per share to $25 per share par and will be sold to stockholders at $50 per share.

This increase in the capital stock is desirable. according to J. F. McFadden, president, because of the large business during the last year or so. The company is finishing the year 1923 with the largest volume of underwriting in its 31-year history. Also, the activities of the company are leading into wider scope of territory.

During the past year the company established a Canadian division and is now operating throughout Canada, with headquarters in Toronto.

100,000,000 FEET OF LUMBER

VANCOUVER.—One hundred million feet of lumber is comprised in one order for shipment during the next few months from various ports on the Pacific Coast to Japan. This huge order has been placed with the Douglas Fir Exploitation and Export Co. by the Japanese ambassador at Washington, D. C. While exact figures were not given out, it is understood the deal represents about $3,000,000.

INSURANCE FOR BUYER AND SELLER

PROTECT INTEREST IN BIG BUSINESS BY LIFE POLICIES

Brush Company Head Carries Half Million Business Insurance

"I have been giving life insurance a lot of my attention lately. I own a controlling stock in my business. I got to thinking what would happen if I were taken away and that control would have to be manipulated. I knew extra capital would have to come from somewhere to tide over during the re-adjustment period. There was no way to secure that extra capital except by business insurance. So I took out $300,000 additional, making $500,000 in all, business insurance. In case I should pass on, half a million of ready cash will be thrown into the business to tide it over during re-adjustment of interests. There was no other way it could be done." These are the words of Alfred C. Fuller, who began making brushes by hand and is now head of the Fuller Brush Company, doing a $15,000,000 business annually. According to the "Imperial Life-Guard," Mr. Fuller now carries $750,000 insurance, and he is contemplating an increase to $1,000,000 shortly.

His action in carrying so much insurance is but an illustration of the tendency among big business men. Many shrewd men have been quietly adding to their insurance, to an extent scarcely expected even by insurance men in their own districts. As a result, an agent recently approached a widely known business and public man, urging him to increase his insurance to $100,000, in view of his involved interests. The agent was astounded to learn that the prospect was at that very time considering $50.000 insurance to the $550,000 already in force. This amount was subsequently placed, but through another agent who had taken the trouble to gain accurate information of the prospect's circumstances, and was big enough to fully appreciate the real needs for protection in his particular case.

Business life insurance has a special appeal, especially in a country at the stage of development now pertaining in Canada Many successful businesses were started in a small way by one or two men, and have grown more or less as family institutions. Profits have been turned back into improvements and extensions, and outside capital has not been utilized. New conditions dictate further expansion beyond the limits of family resources. This may be secured by private loans, but is frequently done by issuing bonds or stock. Yet this leaves the family with heavy investments in one enterprise, which are not easily withdrawn without seriously handicapping the enterprise. Much of the company's success depends, as a rule, on one or two men; should they die, the company's position is prejudiced in two ways. The family may require to retire part or all of its interest to make a proper division of the estate. Where will the company secure the money to meet the withdrawal? Life insurance is the solution, as it provides a cash working fund immediately. In addition, it partially indemnifies the company for the loss of a valuable asset in the abilities of the deceased, until such time as a satisfactory substitute is secured. The value of providing for these contingencies can scarcely be overestimated.

Assurance Companies Appoint New Officers

A reorganization has been effected in the management of the British America and Western Assurance Companies following the retirement of W. B. Meikle, who has been president and general manager for many years. To suceed him, the directors have appointed Wilfrid M. Cox, who has for some time been vice-president, and is thoroughly conversant with the companies' affairs. Herbert C. Cox, president of the Canada Life Assurance Company, and George A. Morrow, president of the Imperial Life Assurance Company, have become vice-presidents and C. S., Wainwright, formerly secretary, has been appointed assistant general manager of the two companies. T. G. McConkey, general superintendent of the Canada Life Assurance Company, has been elected to the seat on the board rendered vacant by Mr. Meikle's retirement. Geoffrey Stubington has been appointed secretary of both companies.

E. F. Garrow, assistant general manager, goes to the Montreal office as assistant general manager in charge of Eastern provinces. Robert Bickerdike, of Montreal, who is a director of both companies, and has represented them for a long period, will act as consulting director for the same territory.

Life Insurance in U.S. Breaking All Records

The tremendous development of life insurance in America is revealed in the announcement made by Hon. Edward D. Duffield, president of the Prudential Insurance Co., at the annual convention of the Association of Life Insurance Presidents, at New York, to the effect that, breaking all previous records, the American people are purchasing $11,710,000,000 new life insurance this year. He also said that the total insurance in force on American lives at the end of this year will be more than $55,000,000,000, which, he added, is greater than the amount of life insurance in force in all of the rest of the world combined.

A Twenty-Six Per Cent. Increase in November

The November sales of ordinary life insurance in Canada during November of this year were 26 per cent. greater than in November of last year, according to figures just published by the Life Insurance Sales Research Bureau of New York, which issues its reports on the basis of figures from companies doing about 85 per cent. of the ordinary legal reserve business in Canada. The actual amount of sales of these companies in November was $34,165,000 of insurance. This is 16 per cent. greater than the average volume of sales during the first eleven months of the year.

The increase in life insurance sold this year over last was most marked in the central portion of the Dominion. Sales in the province of Quebec, Ontario, and Saskatchewan, amounted in each case to about one-third more than last year. British Columbia, Prince Edward Island, and Newfoundland were the only provinces that did not show some increase over last year. Sales for the first eleven months of this year averaged for all of Canada 15 per cent. greater than in the corresponding period last year.

Claims Under Policies Are Well Distributed

An estimate of the amounts paid in claims by life insurance companies in Canada during 1922 includes the following totals for a number of cities:

Montreal	$2,962,000
Toronto	2,304,000
Winnipeg	832,000
Vancouver	721,500
Ottawa	559,000
Hamilton	403,000
Quebec	346,000
London	315,000
Calgary	296,500
Belleville	289,000
Westmount	283,000
Victoria	273,000
Halifax	250,000
Edmonton	231,000
St. John's, Nfld.	187,500
St. John, N.B.	181,000
Stratford	179,500
Kitchener	175,000
Brantford	160,000

MCGILL TO START COURSES IN LIFE INSURANCE JAN. 22

For Local Men at First, But May Extend It Later

On January 22, McGill University will open a course of ninety lectures on "Life Insurance Theory and Salesmanship." This is the first course of the kind given in any Canadian university. The course will be under the direction of Prof. R. M. Sugars, director of the School of Commerce, and he will be assisted by several members of the university faculty; George H. Harris of the Sun Life, and by a number of prominent life insurance men, both of Canada and the United States.

At present this will be in the nature of an extension course for local insurance men, but it is probable that next year the course will be opened to commerce students. Considerable credit for this move on the part of Montreal is due to T. G. Parkes, president of the Quebec Provincial Life Underwriters' Association, and E. Stuart Taylor, president of the Life Underwriters' Association of the city of Montreal.

If given the proper support, the course is expected to attract many would-be insurance men. The old idea that those who had filled other occupations could fall back on life insurance salesmanship to gain a living was exploded. The field is now attracting many of the best and brightest men. To. make a success of selling insurance in any community over a period of years, a constant study of a prospect's personal financial problems is necessary. A wide knowledge of law relating to estates, succession duties, etc., is of special value, as it enables the agent to draw to the attention of men in the community dangers in the arrangement of funds, which are commonly overlooked.

Careful Appraisal Needed When Policy Has Co-Insurance Clause

Have you had a reliable appraisal of your buildings at any recent time? Has your plant appreciated or depreciated since erection? Is its value, as carried in your books, allowing for these changes? If not, you are possibly holding your company open to heavy losses through overlooking a small detail. This is the warning given to manufacturers and business men by W. F. Worcester in an address delivered before the Illinois Manufacturers' Association.

The overlooked detail is a co-insurance clause often inserted in fire insurance policies. While it is fair in itself, if not carefully watched and reviewed from time to time, it may be a constant danger to any business. A common form reads as follows:

"In consideration of the rate at which this policy is written, it is expressly stipulated and made a condition of this contract, that this company shall be liable for no greater proportion of any loss than the amount hereby insured bears to 80 per cent. of the actual cash value of the property described herein, at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total contributing insurance thereon. If this policy be divided into two or more items, the foregoing conditions shall apply to each item separately."

While an 80 per cent. clause is usually found in specific coverage; that is, itemizing the amount of insurance on each building, unit of equipment, etc., 90 per cent. and 100 per cent. clauses sometimes appear on sprinkled property and selected risks.

Not Always Operative

In outlining the important points in connection with the clause, Mr. Worcester said:

Some insurors have the mistaken opinion that, under a co-insurance clause, they will only get that percentage proportion of any loss. To illustrate—they believe that they can recover, on policies having the 80 per cent. co-insurance clause only 80 per cent. of the loss. This is not true. If correctly and adequately covered with insurance under, a co-insurance clause, the adjustment will be as though the clause was not there.

On some policies, there is a 5 per cent. waiver clause, which means that if the claim for loss is less than five per cent. of the amount of insurance, the co-insurance clause is not operative. This explains why losses of a few hundred dollars have been adjusted without applying co-insurance. Therefore, one might erroneously consider that the co-insurance clause means nothing, and if a large fire occurred, it would be settled on the same basis, without application of the co-insurance clause, which is not the case. Again, if your loss is in excess of the amount of insurance required, the clause is inoperative, because of the fact that you have lost more than the clause called for anyhow. The only trouble in connection with the co-insurance clause is between those points, on a partial loss—where most of the losses occur.

Consider Actual Value

Some concerns consider that they have enough insurance if they are carrying up to 80 per cent. of their book value. In the case of a fire loss, it is the actual cash value of the property that must be considered, the value at the time of the fire, not at the time that you purchased that property or built it, as the case may be, with so much depreciation off per year. We must consider what it would cost today to buy that property and then what it is worth in its present condition, as compared with new.

We will consider a property, actually worth $100,000, on which $80,000 would be the co-insurance requirement. Suppose, however, only $60,000 was carried on that property, and a fire occurred with $40,000 loss. Surely, it is natural to believe, with $60,000 insurance in good companies, and only $40,000 loss, there would be no difficulty in collecting the adjustment in full for the loss. It sounds reasonable. After your $40,000 showing has been made up, the proof of loss prepared by yourself and checked over, and we will say even approved by the insurance adjuster, it has been established $40,000 is the actual loss. All very well and good. Now the adjuster has another duty to perform where there is a co-insurance clause.

A schedule is required of the undestroyed or undamaged portion of your property on the same relative price basis as has been used for the destroyed or damaged portions. Adding the value of the undamaged portion to the other, it will be shown that you should have had insurance under your 80 per cent. clause amounting to $80,000, instead of the $60,000 actually carried. That puts a different light on affairs. In this instance, the adjustment will be—(and it is perfectly fair)—on the exact ratio of the amount of insurance actually carried to the amount of insurance that should have been carried under the co-insurance clause. In the illustration, the payment would be six-eights or three-fourths of the loss; therefore, in the instance mentioned, all else being equal, the assured would receive $30,000, and the remaining $10,000 would have to be charged up to neglect or misunderstanding of the co-insurance clause.

Reason for Clause

Now, I would not have my remarks construed to mean that there is anything objectionable in the co-insurance clause. It is perfectly fair, just and proper for all concerned. I will give a reason or two for the co-insurance clause. Suppose the property is divided into four sections by fire walls. The business man figures that he will only carry insurance on one section, because he thinks the fire could be put out before it reached the other sections. Suppose the total value is $100,000; he therefore only desires to carry $25,000, we will say, with a co-insurance clause. Perhaps he is right, but if the fire starts in the number two or three or four section, that is where his $25,000 must be settled for. In other words, the insurance company is covering $100,000 worth of property for the premiums on only $25,000 in four different sections, wherever the fire happens to occur. It is proper, therefore, for the insurance company to desire a fair percentage of coverage, to the value of the property insured. They offer a considerable reduction in rate, if insurance is placed under co-insurance. The reduction in rate depends on the character of the risk and the percentage of co-insurance applied.

An insurance policy should be read with the same care as any other contract. While slight discrepancies—even the wrong spelling of a name—do not seem important, in the case of a contested claim, they may cause serious delays.

A business man cannot afford to wait months and months for his money. If he has a loss on his property, he desires an adjustment as quickly as possible, to have the money for reconstruction, to resume business or he will lose more money possibly than he would have lost otherwise. It behooves the business man to read his policy, to note even the name on it, to note the exceptions, and especially note the rider form and above all to have the values correct on which insurance is carried.

In his address, Mr. Worcester related the following incident as an illustration of carelessness:

"I assisted in an adjustment not long since where the owners of the concern told me positively that they had no co-insurance clause on their building. They were certain of that. Their policy was in the hands of a real estate dealer. He was also an insurance agent; he held the mortgage, and held the policy. They had not seen it for a year or two, it being in his value. There was a co-insurance clause as big as life on that policy, and the concern did not know it."

The conclusion is that those who have a co-insurance clause in their policies must keep their book values adjusted to give a true statement of real values. Then the insurance must be changed in accordance. Only in such a policy lies security from losses through protested fire claims.

TORONTO LIFE UNDERWRITERS

At the annual meeting of the Life Underwriters Association, of Toronto, with P. W. F. Norton, vice-president, in the chair, the report of President J. J. McSweeney covering the activities of the association and mentioning an increase of membership of 166 per cent. in the past four years was heard with interest. The officers elected are: president, S. C. Vinen, Canada Life Assurance Co.; first vice-president, Wm. Triggs, Mutual Life Assurance Co. of Canada; and second vice-president, W. S. Naylor, Dominion Life Assurance Company.

In expressing his appreciation of the honor which the members had done him, Mr. Vinen stressed the importance of greater publicity concerning the work and objects of the association.

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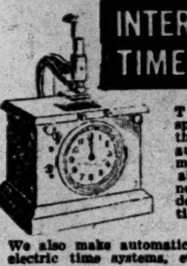

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ENGLISH CAPITAL FOR MILL

CALGARY, ALTA.—It is definitely announced that the Alberta Flour Mills Company's plant in Calgary will be completed by English capital. Approximately $6,000,000 is involved by the plans of the investors. W. J. Sifton, of Toronto, has returned from London, where the details of the big transaction were completed. It is understood that not only will the local flour mills, which are partly constructed, be finished, but that an elevator will be built here, and a terminal elevator at Vancouver.

MOVEMENT FOR TAX REDUCTION GENERAL IN U.S.

Farm Organizations Are in Support of Mellon

BUSINESS MEN, TOO

Chambers of Commerce All Over the Country Are Taking Up the Matter of Reducing Tax Burdens

NEW YORK.—That the movement for lower taxes has taken a stronger hold upon the country than has even seemed apparent from the wide interest recorded by the newspapers thus far, is shown by a movement referred to by the Commercial West, a leading weekly journal published in Minneapolis and devoted to banking and farming, and whose editorials are sound and constructive. This movement, the Commercial West says, was started down in Ohio and may help along the cause for lower taxes appreciably. It describes it as follows:

"These covered wagons or 'prairie schooners' will carry banners such as the following: 'Let's go back to the ways of our fathers—simplicity, honesty and economy in government,' and 'Get in the fight for lower taxes and less legislation.' After these schooners have toured Ohio, the idea is to drive on to Washington, where they will be joined by those from other states and their petitions be delivered to Congress or to the President.

"'Less legislation and lower taxes' should be a good slogan for farmers everywhere to rally around and should command their heartiest support. A good time to start is right now, and urge Congress to carry out the Mellon program of reducing the income tax 300 million dollars a year. This might help many states to induce the legislatures in session this winter to plan for greater economy in state expenditures and to reduce the levy of state taxes. Everywhere farmers complain of the burden of taxation. Now is the time to make themselves heard on the subject and to demand prompt and effective action from their representatives in Congress."

The Mellon tax plan has evidently taken a stronger hold upon the sentiment of the people than anybody at first supposed, says The Bache Review. If such a movement as that indicated by the Commercial West should become widespread, we can imagine what a wilting effect it would have upon the radicals in Congress. A crusade by the farmers in covered wagons, converging on Washington, would make the knees of the most rampant politician tremble.

It would make a most impressive picture—this rising of the white wagons and their advance upon Washington. They would symbolize the spirit of protest among the people, against the unwisdom of government. It would be a manifestation, but arranged on peaceful lines, such as has been often carried out in revolutions with force back of them. The overwhelming advance of the Fascisti in Italy is a recent instance—unopposed, as it turned out, but backed by unrelenting determination to succeed, by peaceful means if possible, but, if necessary, by force.

Business Men Should Join

The farmers are right, and business men should join them, and are doing so as far as working for lower taxes under the Mellon plan is concerned. Chambers of Commerce all over the country are taking up the matter, passing resolutions and urging their members to bring influence upon the Congress.

On the other contention for less legislation, the farmers are also right. Every situation that turns up where there is the least friction in any prominent business, is made a reason by federal or state government for the introduction either of investigation or some new law.

Commerce and Finance this week calls attention, in an article by Richard Spillane, to the mania for inquiry by government officials, high and low, into the affairs of business, that has developed in this country within a comparatively recent period. In the National Government, the departments and bureaus call for information and reports of every kind and character, and when they are not doing that they are summoning men to Washington for hearings.

Farm organizations, backed by some of the farm journals, have launched a Lower Taxes and Less Legislation League. To enlist interest in this highly commendable program, it is proposed to equip farm wagons as "prairie schooners," which will be driven over the state to obtain signatures to petitions urging members of Congress to work and vote for more economy and lower taxes. It seems that the Ohio State Grange started this movement, which is expected to become national.

New Director Added For Dom. Oilcloth Co.

From Our Own Correspondent.

MONTREAL.—J. M. Thompson, treasurer of Dominion Oilcloth & Linoleum Co., was elected a director of the company at the annual meeting this week.

The board of directors elected for the coming year were:

J. O. Gravel, J. J. McGill, J. W. Benning, Lieut.-Col. Herbert Molson, Sir Michael Nairn, Bart., Peter Campbell, Arch. F. Baillie, J. M. Thompson, C. E. Gravel.

At a subsequent meeting of the directors, J. O. Gravel was re-elected president; J. J. McGill, vice-president and secretary; Arch. F. Baillie, managing director, and J. M. Thompson, treasurer.

January Dividends

Dividends	$15,454,823
Bond Interest	15,637,291
	$31,092,114

JANUARY DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Abitibi, com.	$1.00q	15	$250,000
Do., pref.	1¾q	3	17,500
Amer. Cyanamid pref.	1½q	3	83,938
Amer. Salesbook, com.	$1.00q	15	30,730
Asbestos Corp., pref.	1½q	15	60,000
Bell Telephone	2q	15	640,980
Bird & Son, pref.	1¾q	2	7,000
Brand-Henderson, pfd.	1¾q	2	8,750
Brazilian Tr., pref.	1½q	2	150,000
Brit. Amer. Oil	2+2q	2	220,000
Burt. F. N., com.	2½q	3	55,727
Do., pref.	1¾q	3	8,611
Canada Bread, pref.	1¾q	2	21,875
Can. Car, pref.	x3½	10	262,500
Canada Cement, com.	1½q	16	202,500
Can. Conn. Cotton, pf.	2q	2	60,000
Can. Cottons, com.	2q	4	54,310
Do., pref.	1½q	4	54,922
Can. Fairbanks, pref.	3s	15	45,000
Can. Gen. Electric, cm.	1½q	2	162,000
Can. Ind. Alcohol, com.	1q	15	100,000
Can. Locomotive, com.	1q	2	40,000
Do., pref.	1¾q	2	26,250
Can. Nor. Prairie Land	5s	15	75,000
Can. Salt	2q	2	24,000
City Dairy	2½q	3	14,125
Do., pref.	1¾q	3	12,250
Cons. Smelters	6%a	15	632,022
Consumers Gas	2½q	2	150,000
Can. Westinghouse	2+2q	2	297,116
Can. Explosives, pfd.	1¾q	15	81,375
Dome Mines	50c	20	238,333
Dom. Canners, pfd.	1¾q	3	40,485
Dom. Glass, com.	1¾q	2	74,375
Do., pref.	1¾q	2	45,500
Dominion Iron, pfd.	1¾q	2	64,141
Dom. Power, pref.	1¾q	15	64,618
Dom. Stores, pfd. (A)	4s	2	11,180
Do., pref., (B)	3½s	2	8,750
Dom. Telegraph	1½q	2	15,000
Dom. Textile, com.	$1.00q	2	225,000
Do., pref.	1¾q	15	33,962
Duluth Sup. Tr. pref.	1%q	3	15,000
Dunlop Tire, pref.	1¾q	2	10,500
Dominion Linens, pref.	3s	15	12,250
Eastern Theatres, pref.	3½s	14	17,500
Frontenac Brew. pfd.	1¾q	21	5,250
Goodwins, pref.	1¾q	3	30,625
Goodyear Tire, pref.	1¾q	10	78,750
Gould Mfg., com.	1½q	2	11,212
Do., pref.	1¾q	2	13,080
Hillcrest Coll., com.	1½q	15	15,000
Do., pref.	1¾q	15	12,349
Hollinger Mines	1m	1	246,000
Illinois Traction, com.	50c.q	2	61,655
Do., pref.	1½q	2	109,342
Intercol. Coal. com.	4s	2	20,000
Do., pref.	4s	2	8,716
Inter. Petroleum	25c.q	3	1,780,886
Jamaica Pub. Ser., pf.	$1.75q	2	9,625
Kerr Lake Mine	12½c.q	15	75,000
Laurentide	1½q	2	432,000
Mackay, com.	1¾q	3	724,157
Do., pref.	1q	3	500,000
Maple Leaf Mill, pfd.	1¾q	18	51,225
McIntyre Mines	5q	2	182,010
Montreal Telegraph	2q	15	40,000
Maritime Tele. cm.	1½q	2	12,750
Do., pref.	1½q	2	15,000
Do., pref.	1¾q	2	26,250
Niagara Falls River, pref.	$1.75q	15	271,352
Nat. Breweries, com.	1q	2	22,543
Do., pref.	1¾q	2	48,562
Nipissing Mines	3+3q	21	360,000
North Star Oil, pfd.	1¾q	2	17,500
N. S. Steel, pref.	2q	15	16,420
Ogilvie Flour, com.	3q	3	75,000
Ottawa Car	1+2q	2	35,337
Ottawa Light	1½q	2	61,250
Ottawa Traction	1+1q	2	111,630
Port Arthur Ship., pref.	1¾q	2	10,010
Pacific Burt., com.	1½q	3	9,750
Do., pref.	1¾q	3	11,375
Page Hersey Tubes, com.	$1.75q	2	48,230
Do., pref.	1¾q	2	49,000
Penn. Water & Pr.	1¾q	2	148,662
Porto Rico Rlys., pfd.	1¾q	2	17,500
Price Bros.	½q	2	213,416
Provincial Paper, com.	1½q	2	52,500
Do., pref.	1¾q	2	29,750
Quebec Power, pref.	1¾q	15	38,552
Rogers, Wm. A., pfd.	1¾q	3	19,649
Shawinigan	1¾q	10	350,000
Shredded Wheat, com.	2q	2	200,000
Do., pref.	1½q	2	18,750
Smith, H. Paper, com.	1½q	20	55,405
Do., pref.	2q	20	30,000
Southern Can. Power, pref.	1½q	15	37,500
Span. River Pulp, com.	1¾q	15	157,420
Do., pref.	1¾q	15	150,840
Sterling Coal	1q	3	25,000
Tri-City, pref.	1½q	2	45,000
Trinidad Elec.	1q	11	11,640
Tuckett Tobacco, com.	1q	15	25,000
Do., pref.	1¾q	15	35,000
Twin City, com.	3s	3	660,000
Do., pref.	1¾q	2	52,500
Western Grocers, pfd.	1¾q	15	41,800
Wabasso Cotton	$1.00q	3	35,000
West India Elec.	1¼q	3	10,000
West Kootenay Pr., pf.	1¾q	2	8,750
Winnipeg Elec., pref.	1¾q	2	52,500
Woods Mfg., pref.	1¾q	2	27,063
Wright Hargreaves	2½q	2	68,750
Loan and Trust			
Brit. Mortgage Loan	6s	2	30,000
Can. Mortgage	3s	2	37,311
Can. Landed	2½+1q	3	42,175
Can. Permanent	3q	3	210,000
Canada Trust	4s	3	40,000
Cen. Can. Loan	2½q	2	43,750
Colonial Invest., pref.	3s	2	37,243
Crown Trust	1½q	2	7,500
Canada Life	3¾q	2	37500
Can. Perm. Trust	1¼q	—	12,500
Eastern Can. Savings	2q	2	15,000
Eastern Trust	2½q	3	25,000
Chartered Trust	1¾q	2	9,020
Guar. of North Amer.	3q	15	9,138
Brit. Amer. Assur.	5s	2	42,470
Hamilton Prov.	5s	3	60,000
Huron & Erie	1¾q	2	87,500
Home Invest.	2q	2	19,852
Dominion Life	4q	2	6,400
Excelsior Life	4s	—	5,000
Great West Life	7½s	2	75,000
Imperial Life	3¾q	2	16,875
Landed Banking	4+½q	3	45,000
London Loan	1¾q	2	15,600
London & West. Trust	1¾q	2	8,750
Mercantile Trust	1½q	2	7,500
Montreal Finance, com.	4a	15	9,484
Do., pref.	4s	18	18,972
Montreal Trust	3q	15	30,000
Northern Trust	4s	2	60,000
National Trust	3q	3	60,000
Northern Mortgage	3s	2	59,505
Ont. Loan & Deb.	2½+1q	3	61,250
Manufacturers Life	4s	2	12,000
National Life	2½q	2	6,250
North Amer. Life	5s	—	3,000
Real Estate Loan	3½s	2	17,500
Royal Loan	2¼q	2	13,500
Sun Life Assur.	7½s	2	63,750
Sask. Mortgage	2⅓s	2	20,735
Toronto Finance, pref.	2q	15	10,044
Toronto Gen. Trusts	3q	2	60,000
Toronto Mortgage	2½q	2	18,112
Toronto Savings	3q	2	30,000
Trusts & Guarantee	3s	2	42,822
Union Trust	1¾q	2	17,500
Western Assur., pfd.	3½s	2	35,000
Banks			
Dominion	3+1q	3	240,000
Molsons	3q	3	120,000
Montreal C. & D.	$2.50q	3	49,952
Nova Scotia	4q	3	400,000
Provincial	2¼q	2	67,500
			$15,454,823

x Arrears.

BOND INTEREST DUE IN JANUARY

Company	Int.Rate	Due	Amount
Abitibi Pulp	6	1940	$116,400
Asbestos Corp.	5	1942	70,635
Ashdown Hardware	5	1928	15,322
Atlantic Sugar	6	1935	32,850
Can. Pacific Algoma	5	1937	91,250
Do. (Vic. Roll. Sk.)	4½	1928	116,325
Cuba Railroad	5	1952	329,250
Commercial Cable	4	2397	200,000
Calgary Power	5	1940	73,522
Canada Iron	6	1939	22,488
Can. Consol. Rubber	5	1947	200,000
Can. Cottons	5	1940	109,572
Can. Locomotive	6	1951	45,000
Cedar Rapids	5	1953	345,182
Cape Breton Elec.	5	1932	27,400
Can. Light & Pr.	5	1949	172,500
Cons. Smelters	7	1929	105,000
Do.	7	1942	210,000
Demerara Elec.	5	1929	12,500
Dominion Iron	5	1929	142,800
Detroit Rly.	4½	1932	304,300
Duluth S. Shore	5	1937	95,400
Do.	5	1927	4,200
Eastern Car	6	1952	26,910
Hydraulic Power	5	1950	87,500
Inter. Milling	6	1930	16,815
Laurentide Power	5	1946	187,500
Kaministiquia Pr.	5	1937	47,075
Maritime Tele.	6	1941	45,000
Mexico Trams.	6	1966	213,378
Mexican Elec.	5	1942	139,175
Northern Ont. L.	6	1931	135,195
Mississippi River Pr.	5	1951	470,742
Montreal L. H.	4½	1932	141,772
Nat. Breweries	6	1939	40,200
N. S. Steel	5	1959	136,277
Niagara Falls Pr.	5	1932	250,000
Montreal Trams.	5	1941	452,125
Minn. S. S. M.	4	1926	162,720
Minn. St. Paul	4	1938	1,137,260
Do.	5	1938	153,700
Do.	4	1949	70,000
Do.	6	1946	75,000
Ontario Steel	6	1943	14,535
Ont. Pulp & Paper	6	1931	36,492
Ottawa Gas	5	1934	3,750
Penn. Water	5	1940	296,950
Saguenay Pulp	6½	1919-34	175,500
Rio Janerio	5	1935	625,000
St. Law Flour	6	1941	2,895
Sher. Williams	6	1941	51,045
Simpson, Robt.	5	1952	48,215
Smith H. Paper	7	1941	90,167
Steel of Can.	6	1940	208,494
Shawinigan	5	1934	95,212
Do., (B)	6	1950	160,020
Do., (C)	6	1950	131,250
Sherbrooke Rly	5	1927	2,500
Sao Paulo Elec.	5	1962	243,332
Sydney & Glace Rly.	5	1932	3,600
West Dry Dock	6	1932	15,600
Western Coke	5	1924	11,250
Windsor Hotel	6½	1943	81,250
Western Power	5	1949	125,000
West. India Elec.	5	1928	15,000
Winnipeg Elec.	5	1935	106,837
Winnipeg Elec. St.	5	1927	18,162
Wpg. Selkirk Rly.	5	1933	10,000
Do.	5	1925	35,000
Corporation bonds			$9,437,297
Municipal bonds			x3,400,000
Provincial bonds			x2,800,000
			$15,637,291

CO-OPERATORS WANT AID OF GOVERNMENT

Declare That Losses Should be Borne by Public Treasury in Interest of Country

From Our Own Correspondent.

REGINA.—Co-operation is a fine thing, and a word to conjure with on the platform or in the press, but apparently it is not a cure for every economic problem harassing the workingman in England or the farmer in Western Canada. After three years of heavy losses, amounting to over $200,000, by their cold storage department, the Saskatchewan Co-operative Creameries have requested the provincial government to make an investigation into the possibility of the readjustment of the basis of the government's financial assistance. This financial assistance has been in the form of a guarantee of credit, as no money has been paid in the form of a bonus, so that the request simply means that the company is not prepared to continue operating the cold storage plants which are hanging like a millstone about the neck of the profitable butter, ice cream, milk, cream and egg business of the company, unless the government "comes through" with something more definite and tangible than a guarantee of credit.

The company has eight cold storage plants, located at Saskatoon, Regina, North Battleford, Yorkton, Melville, Weyburn, Melfort and Vonda. The plant at Vonda, which is located not far from Saskatoon, has been closed for over a year. The butter production of the company has shown a large increase of 830,000 pounds, making the year's production over four and a half million pounds, and a satisfactory profit was made on this part of the year's operations, but the loss on the operation of the cold storage plants amounted to $64,000. In the resolution presented to the provincial government by the executive of the company, following a special meeting of the shareholders, it is argued that, as the cold storage plants are a public utility for the benefit of the people of the province, and should ultimately, with improved business conditions, pay good dividends on the money invested in them, the public should stand the present loss of operation rather than a company primarily organized to develop the dairy industry of the province.

A study made a few months ago by a Canadian social worker showed that out of 1,083 cases brought to the attention of a charity organization, 485, or about 45 per cent., presented unemployment problems. Irregularity and lack of work cause family morale to suffer greatly.

The American tobacco industry in 1923 experienced unusual prosperity. Twelve months' output of cigarettes, cigars and snuff will reach new high levels and production of smoking and chewing tobacco will approach the high reached in 1922 and will exceed 1921 by about 6 per cent.

Canadian Car and Foundry Company, Limited

AND CANADIAN STEEL FOUNDRIES, LIMITED AND OTHER ASSOCIATED COMPANIES

FOURTEENTH ANNUAL REPORT

Year Ended September 30, 1923

OFFICERS:

Hon. N. Curry, Chairman of the Board.

W. W. Butler, President.
W. F. Angus, Vice-President.
A. D. Neale, Vice-President.
A. C. Bourne, Secretary.
W. S. Atwood, Vice-President.
A. Whyte, Vice-President and Treasurer.
L. A. Peto, Comptroller.

CONSOLIDATED STATEMENT OF SURPLUS AND PROFITS,

Combined Profits for the Fiscal Year ending September 30, 1923		$2,430,188.11
Deduct:		
Provision for Depreciation		435,800.00
Profit before charging Interest		$1,994,388.11
Deduct:		
Interest on Bonds Outstanding	$411,559.05	
Interest on Negotiable Scrip	84,784.95	
	$496,344.00	
Less: Interest Earned (Net)	129,529.49	
		366,814.51
Profit for Fiscal Year		$1,627,573.60
Deduct:		
Provision for Income Tax and General Purposes		200,000.00
Net Addition to Surplus		$1,427,573.60
SURPLUS at September 30, 1922		2,664,574.91
		$4,092,148.51
Deduct:		
Dividends declared—7% on Preference Stock		525,000.00
SURPLUS carried forward September 30, 1923		$3,567,148.51

CONSOLIDATED BALANCE SHEET SEPTEMBER 30, 1923.

ASSETS

COST OF PROPERTIES:			
Real Estate, Buildings, Machinery, Patents and Goodwill, as at Sept. 30, 1922		$23,136,072.27	
Addition during Fiscal Year—Net		1,155.28	
			$23,137,227.55
SCRIP REDEMPTION FUND:			
Invested in Dominion of Canada Bonds			348,884.75
CURRENT ASSETS:			
Inventories of manufactured and partly manufactured product, materials and supplies at cost or less, and not in excess of present market prices		$6,249,392.28	
Accounts Receivable (Less Reserve)		1,639,114.80	
Bonds and other Securities:			
Dominion of Canada Bonds	$506,839.47		
Companies' Own Bonds	410,182.10		
Miscellaneous Investments	380,872.27		
		1,297,893.84	
Cash in Bank		321,296.47	
			9,507,697.39
DEFERRED CHARGES			87,722.04
			$33,081,531.73

LIABILITIES

CAPITAL STOCK:			
Preference: Seven per cent. cumulative and participating: Authorized and Issued—75,000 Shares of $100 each			$7,500,000.00
Ordinary:			
Authorized—50,000 Shares of $100 each		$5,000,000.00	
Issued — 49,750 Shares of $100 each			4,975,000.00
BONDED DEBT:			
Canadian Car & Foundry Company, Limited:			
First Mortgage Thirty-Year Six per cent. Sinking Fund Gold Bonds, due 1939 (Authorized $7,500,000)	$6,275,000.00		
Less: Redeemed by Sinking Fund	1,903,358.01		
		$4,371,641.99	
Canadian Steel Foundries, Limited:			
First Mortgage Collateral Trust Bonds Six Per Cent., due 1936 (Authorized $5,000,000)	$3,650,000.00		
Less: Bonds held in escrow by Montreal Trust Company towards redemption of Montreal Steel Works, Limited Bonds	637,436.04		
	$3,012,563.96		
Less: Retired by Sinking Fund ..	1,277,013.32		
		1,735,550.64	
First Mortgage Six Per Cent. Gold Bonds, due 1940, of the Montreal Steel Works, Limited		537,000.00	
			6,644,192.63
SEVEN YEAR SIX PER CENT. NEGOTIABLE SCRIP, DUE DECEMBER 24, 1927 (Less amount held in Treasury)			1,384,822.25
CURRENT LIABILITIES:			
Accounts Payable and Payrolls		$2,019,464.46	
Interest Accrued		128,971.97	
Dividend Payable October 10, 1923, 3½% on Pref. Shares		262,500.00	
Dividend Payable January 10, 1924, 3½% on Pref. Shares		262,500.00	
			2,673,436.43
RESERVES:			
Depreciation Reserves		$5,265,454.67	
Special Reserve Fund		500,000.00	
Operating and Miscellaneous Reserves		571,477.24	
			6,336,931.91
SURPLUS, as per attached statement			3,567,148.51
			$33,081,531.73

Note—Arrears of Preference Share Dividends 8¾%.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the Books and Accounts of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, for the year ending September 30, 1923, and have obtained all the information and explanations which we required. And we certify that, in our opinion, the above Balance Sheet at September 30, 1923, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, according to the best of our information and the explanations given to us, and as shown by the Books of the Companies.

PRICE, WATERHOUSE & COMPANY,
Auditors.

Montreal, December 13, 1923.

Approved on behalf of the Board:
V. M. DRURY, Director.
F. H. CLERGUE, Director.

L. A. PETO,
Comptroller.

Canada Will Soon be Big Borrower of Mortgage Funds

France Has Sent Us Nearly $40,000,000, and Great Britain About $35,000,000 to be Loaned Out by Mortgage Institutions

From Our Own Correspondent.

MONTREAL.—It has been the experience of Canada that the demand for mortgage loans and consequently the influx of new capital has been in direct proportion to the volume of immigration.

Looking ahead to the next few years with its prospects for a greatly increased number of new arrivals int Canada yearly, a larger demand for mortgage loans can be seen. And to provide the money to meet these demands for new loans it is likely that Canada will get new blocks of capital from abroad. The agencies for the borrowing of this foreign money and the lending of it to Canadian citizens will be to a very large extent the loan companies of Canada.

Since the beginning of the war the various Canadian loan companies have been operating under somewhat abnormal circumstances. They have not had the same demand for new money that was experienced before the war. At the same time they have had offered to them bonds to give them higher yields than they could get on mortgages when the expense of administrating the latter is considered, so that they have had no difficulty in keeping their funds well employed. But there has been no new foreign money put into mortgages in Canada since before the war. As a matter of fact there has been a flow outward of mortgage funds for a few companies that had sold debentures in Scotland, England and France before the war, have redeemed these in order to take advantage of the profit on exchange.

French Mortgage Money

There is about forty million dollars of French capital invested in mortgages in Canada. The important company is the Credit Foncier Franco-Canadien, which has loaned nearly forty million dollars in Canada against the security of homes and farms. The Credit Foncier has lately followed the policy of paying off its debentures as they mature in France, and this has reduced the amount of its investments in Canada by close to half a million dollars. It may be some years before France can reverse this movement and send further capital to Canada for investment.

Holland is another country that has sent a great deal of money to Canada to be invested in mortgages. Before the war, and as late as 1917, an important amount of debentures were sold in Holland by some of the companies that had been organized with Dutch capital, and these mortgage debentures were very popular with Dutch investors. But since the end of the war there has been a considerable demand for Dutch capital from the European nations and the five per cent. debentures of the Canadian companies have not been able to compete against the other offerings. There has, moreover, been a decided difference in the exchange between Canada and Holland that has made it profitable to redeem the investments in Canada and return the capital to Holland at a good profit. Much of the Dutch capital formerly invested in Canada has returned to Holland under these circumstances.

At the present time much of the capital invested in mortgages in Canada is from Great Britain. The Canadian mortgage debenture is an investment peculiarly fitted to the needs and wishes of the Scotch investor and the amount of money that has been sent to Canada from Edinburgh agents has run into many millions of dollars.

Withdrawals of Funds

Some time ago, V. Evan Grey, the Registrar of Trust and Loan Companies for the Province of Ontario, stated: "Our loan and trust corporations have in the past thirty years got their monies for lending purposes in Great Britain, France and Holland. In 1914 there was in the hands of Canadian loan corporations approximately forty million dollars of money received from Great Britain and about thirty-eight million dollars from France through the Credit Foncier Franco-Canadien.

"At the end of 1920, the Credit Foncier has retained almost unchanged the amount of its investments of French money, but British investors have withdrawn fourteen million dollars or twenty-five per cent. of the total."

Since this statement was made there have been small amounts of British capital come to Canada to replace the amounts that had been withdrawn and a small amount of French capital has returned to Paris. In the 1922 report of the Ontario Registrar of loan companies, Mr. Grey referred to the Credit Foncier withdrawing funds to redeem debentures in Paris as they matured.

This was indicated in the fact that while Credit Foncier French funds in Canada in 1914 amounted to $38,173,000 the total was $37,673,000 in 1922, a reduction of just almost exactly $500,000.

Where Money Comes From

The following table, showing the relation of foreign and Canadian capital invested in mortgages in Canada is of interest. It shows the place of payment by years of the debentures of the loan companies registered in the Province of Ontario.

	Debentures	
	Payable in Canada	Payable Abroad
x1914	$25,988,487	$77,465,323
x1915	28,435,623	77,675,532
x1916	28,169,467	73,784,756
x1917	28,805,795	69,094,457
1918	27,438,420	69,663,965
1919	26,224,619	69,991,837
1920	29,037,935	64,355,393
1921	29,982,858	62,814,676
1921	32,394,820	65,197,496

x Interest not included.

Canada has enjoyed the best of reputations abroad. The war was a time of testing; in the opinion of British investors it indicated the security of investment in Canada. There is no doubt that there will be plentiful supplies of money available for mortgage loans in Canada when the time is ripe to get this money and to use it. Bringing foreign capital to Canada at the present time, with the exception of American money which has never been greatly interested in Canadian mortgage loans, is an expensive proposition involving a large discount on the foreign currency. These conditions will aright themselves in time, and money can then be brought to Canada without the loss of anywhere from ten to twenty five per cent. on exchange.

At the present time Canada does not require a great deal of capital for mortgage loans, although it is evident that very shortly this may be necessary. The basis of a mortgage loan is the expansion of the country. Money is loaned on mortgages to farmers who come to Canada to settle and build a home, and to city dwellers who build homes for themselves. If more people come to Canada more money will be loaned and, therefore, borrowed from investors abroad to be loaned here.

Effect of Legislation

There has been some criticism recently of inimical legislation in some Canadian provinces, particularly in Western Canada, that, it is felt, may have an influence in retarding the flow of further capital to Canada. Prolonged enforcement of the moratoria, on loans, the seed grain loans, the provincial farm credit schemes and such legislation as to tax recovery act of the Province of Alberta, has caused some consternation in the minds of foreign investors. The Western Provinces have been inclined to forget that they are yet in an undeveloped state and that millions of dollars will be needed in the next few years to assist in developing agriculture within their boundries. The legislation referred to has been of a minor character, but has, nevertheless, failed to increase the faith of investors in this country.

The high character of Canadian legislation for the protection of investors before the war was a strong influence in helping us to get capital for development. This reputation is in danger of being seriously damaged by the petty nuisances of recent legislation, and it is felt by many mortgage lending institutions that, unless a broader attitude towards the investor is adopted, Canada will suffer in other countries.

Should We Amend B.N.A.?

It has recently been suggested that an amendment of the British North American Act, which is the constitution of Canada, should be obtained to provide that no one will be deprived of property by any legislation of any province in Canada or by the Parliament of Canada without process of law, and that no law impairing the obligation of contracts shall be passed by the parliament of Canada or by any provincial legislature.

While the proposals refer particularly to conditions in the West, it is felt that the broad application of the principle of established rights and the sanctity of contracts will encourage the flow of capital and influx of people into Canada by re-establishing and maintaining faith and confidence in the country and investments made here.

The Canadian constitution is unlike that of the United States, which provides that no law may be passed impairing the rights of a private citizen or violating a contract.

Coca-Cola of Canada Has Been Organized

The formation of The Coca-Cola Company, of Canada and the election of William M. Brownlee, formerly President of the Cable Piano Company, as Managing Director, the new company to function from January 1, is announced. The company has an investment in the Dominion of more than $4,000,000, and employs 300 in its 22 offices. Claud Duncan is Secretary and Assistant Treasurer.

Mr. Brownlee, the new Managing Director, will have charge of production, advertising, sales and bottling activities of the Company in the Dominion. He first joined the Cable Company as Sales Manager in Cincinnati, going to Atlanta, Ga., in 1912. In 1914 he was elected vice-president, and two years later, president. In that time the Company grew from one office in Atlanta, to 9 branches.

R. W. Woodruff, president of the Coca-Cola Co. says 1924 promises to be the biggest year for the company since it was established in Canada ten years ago.

It has four manufacturing plants located at Toronto, Montreal, Winnipeg and Vancouver, and the eighteen bottling plants located at Belleville, Hamilton, Kingston, London, Ottawa, Peterboro, Port Arthur, Windsor, Chatham, Ontario; Brandon, Manitoba; Calgary, Edmonton, Lethbridge, Alberta; Moose Jaw, Regina, Saskatoon, Saskatchewan, Nanaimo, British Columbia; Quebec, Quebec.

THE PROSPECTS FOR LOWER POSTAL RATE

Reduction Not Likely if American Rate Increases—Stamp Tax Revenue Lost

From Our Own Correspondent.

OTTAWA.—The report that in the United States postal rates on first class matter may be increased to 3 cents and third class matter to 2 cents, and that there may be increase in zone rates on second class mail, has been noted by the Post Office Department officials, and will be taken into account in the consideration of postal rates in Canada.

It is by no means assured that postal rates on this side will be reduced. The P. O. Department, under the administration of Hon. Charles Murphy, has made a good showing, and is now one of the most businesslike in the administration; but it acts on the principle that service should, as far as possible, bear its actual cost, due allowance being made, of course, for the general interests of the country. It would be more difficult to make out a case for the carrying of mail matter in Canada at a lower rate if that in the United States is increased.

While the P. O. Department has been making a creditable showing, still it is believed that quite a little of its revenue has been due to the sale of postage stamps for payment of excise taxes. Now that this use of postage stamps has been stopped, it remains to be seen to what extent the P. O. revenue will be affected.

As far as the general letter rate is concerned, it will probably depend, as much as anything, on the need of the Finance Department for money.

Steel Companies Mixed Up in Charges of Graft

ST. JOHN'S.—Charges which led to the resignation of Premier Sir Richard Squires last summer will be inquired into by a Royal Commission. The charges to be investigated are that "while negotiations were in progress between the Government of the colony and the Dominion Iron and Steel Company, and the Nova Scotia Steel and Coal Company, Limited, respectively, concerning the obligations of the said companies to the Government, certain moneys were paid to the then Prime Minister by the said companies." He also was instructed to probe allegations "that amounts paid to the Department of the Liquor Controller were not paid into the Treasury, but were paid over to private individuals."

The rest of the commission is made up of instructions to probe the Departments of Agriculture and Mines, of Public Works and of Public Charities, for particulars of certain expenditures on relief account during the years of 1922 and 1923.

A RECOVERY IN BUSINESS BEING FORECAST FOR 1924

(Continued from page 1)

year, and start upward for a long movement some months later.

President Coolidge has declared himself definitely in favor of the reductions in the income taxes that have been proposed by Secretary Mellon. The suggested changes would reduce most existing income taxes by nearly one half. It is estimated that the total savings to income taxpayers that would be effected under the new plan would be $223,000,000 each year. Of this immense sum, 42 per cent. would be saved by people having incomes of less than $6,000 a year and nearly two-thirds of it would be saved by those receiving less than $10,000 a year.

It is reported from Washington that practical politicians characterize the plan as "economically sound but politically unwise," but it is greatly to be hoped that their constituents may persuade them that the suggested changes will prove expedient as well a sgenerally beneficial.

The Cost of Building

Building wages are still rising in the country as a whole, while the cost of construction materials is falling. The present prospects appear to be that the cost of building in 1924 will not be greatly different from what it is now. The prices of materials may decline a little, and it is likely that while wage rates will remain about where they are, there will be fewer cases in which a bonus will be paid to secure workers. The general result should be that building may be done somewhat more cheaply next year than it has been this year, but that the difference will be relatively small.

The outstanding development in the iron and steel industry this autumn has been the large buying movement of pig iron during the past six weeks. Most important consumers have covered their requirements until next February, and the market is now decidedly more quiet. It is clear that a new high record for pig iron production will be made this year.

Builders of railroad equipment have had a good year in 1923. It does not now seem probable that the railroads will buy as many new freight cars and locomotives in 1924 as they did in 1923, or in 1922. There are two important reasons why the roads may be conservative in their programes for new equipment. One is the high price of steel. The other is that the roads have been successful in moving this year's exceptionally heavy traffic with present equipment, and have had a surplus of cars.

B. C. CANNING INDUSTRY

KELOWNA.—The Occidental Canners this season put up fifty-one thousand, three hundred cases of tomatoes and ketchup; twelve thousand cases of vegetables, and five thousand cases of fruit. The Broder Cannery put up eighteen thousand, six hundred cases of tomatoes. The pack of the Dominion Cannery this year was about two-thirds of that of last season.

Town of Aurora Debentures

TENDERS will be received for $106,000. TOWN OF AURORA 5½%, High School Debentures repayable in 30 annual instalments,—

Dated 1st January, 1924. Interest payable half-yearly, 1st January and July. at the Treasurer's Office, Aurora.

These Debentures are guaranteed absolutely as to principal and interest by the County of York by special endorsement on each Bond with signature of Warden and Clerk and the Seal of the County.

The Debentures will be printed in approved form with interest coupons attached, and in denominations to suit purchaser.

Sealed Tenders marked "Bond Tender" will be received up to noon of the Fourteenth day of January, 1924, addressed to C. A. Petch, Town Clerk, Aurora, Ont.

Howard Smith Paper Mills Limited

Common Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend of 1½% on the Common Stock (being at the rate of 6% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of December, 1923, payable on the 21st day of January, 1924, to shareholders of record at the close of business on the 10th day of January, 1924.

By order of the Board,

HAROLD CRABTREE,
Secretary.

Montreal, December 24, 1923.

Howard Smith Paper Mills Limited

Preferred Dividend Notice

NOTICE IS HEREBY GIVEN that a dividend of 2% on the Preferred Stock (being at the rate of 8% per annum) of the HOWARD SMITH PAPER MILLS, LIMITED, has been declared for the quarter ending the 31st day of December, 1923, payable on the 21st day of January, 1924, to Shareholders of record at the close of business on the 10th day of January, 1924.

By order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, December 24, 1923.

QUEBEC POWER COMPANY.

NOTICE IS HEREBY GIVEN THAT a dividend of one and three quarters per cent. (1¾%) has been declared on the seven per cent. (7%) Cumulative Preferred Stock of the Company for the quarter ending December 31st, 1923, payable January 15th, 1924, to shareholders of record December 28th, 1923.

By order of the Board.

JAMES WILSON,
Secretary.

Montreal, December 21, 1923.

Dominion Coal Company, Limited

NOTICE OF PREFERRED STOCK DIVIDEND NO. 73.

A QUARTERLY DIVIDEND of One and Three-Quarters per cent. on the Preferred Stock of the Dominion Coal Company, Limited, has been declared, payable 1st February to Shareholders of record on 12th January, 1924.

By order of the Board of Directors,

C. S. CAMERON,
Secretary.

Montreal, December 19th, 1923.

The Consolidated Mining and Smelting Co. of Canada Limited

DIVIDEND NO. 39

NOTICE is hereby given that a Dividend of Six Per Cent. (6%) on the paid-up Capital Stock of the Company for the year ending December 31st, 1923, has this day been declared, payable on the 15th January, 1924, to shareholders of record at the close of business on the 31st December, 1923.

By Order of the Board,

J. E. RILEY,
Secretary.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the following Dividends have been declared for the quarter ending January 31, 1924.

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 1st day of February to Shareholders of record of the 21st day of January, 1924.

On the Common Stock, two per cent. (2%) payable on the 15th day of February to Shareholders of record of the 5th day of February, 1924.

By Order of the Board.

C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Que., December 20, 1923.

Dominion Textile Company, Limited

NOTICE OF DIVIDEND

A DIVIDEND of One Dollar ($1.00) per share on the Common Stock of DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st December, 1923, payable January 2nd to shareholders of record December 15th.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, December 3rd, 1923.

Canadian Car and Foundry Company, Limited, Montreal

NOTICE OF DIVIDEND

NOTICE IS HEREBY GIVEN that a dividend of three and one-half per cent. (3½%) on the paid-up preference stock of the Company has been declared payable on January 10th, 1924, to Shareholders of record at the close of business on the 29th day of December, 1923. This dividend to apply on account of arrears.

By order of the Board.

A. C. BOURNE,
Secretary.

Montreal, December 27th, 1923.

Your Home and Office Need Genuine

ORIENTAL RUGS

They are everlasting, satisfying, exquisite in colouring and m erate in price when bought from

BABAYANS Ltd.

Canada's Larg
Direct Impor
King & Victoria S
Toronto

THE DOMINION BANK

NOTICE IS HEREBY GIVEN that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1923, and, in addition, a Bonus of one per cent., making a total distribution of thirteen per cent. for the current year—the Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Wednesday, the 2nd day of January, 1924, to Shareholders of record of 20th December, 1923.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, the 30th January, 1924, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 15th November, 1923.

The Canadian Bank of Commerce

THE annual meeting of the shareholders of this Bank for the election of Directors and for other business will be held at its banking house, Nos. 23 to 25 King Street West, Toronto, on Tuesday, the 8th day of January next. The chair will be taken at 12 o'clock noon.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto, October 26th, 1923.

PROVINCIAL PAPER MILLS LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that Dividends have been declared by Provincial Paper Mills, Limited, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock.

Regular Quarterly Dividend 1½% on Common Stock.

All payable on January 2nd, 1924, to Shareholders of record as at close of business, December 15th, 1923.

(Signed) S. F. DUNCAN,
Treasurer.

The Toronto General Trusts Corporation

DIVIDEND No. 110

NOTICE IS HEREBY GIVEN that a Dividend of Three per cent. (3%) has been declared upon the Paid-up Capital Stock of this Corporation for the Quarter ending December 31st, 1923, being at the rate of TWELVE PER CENT. PER ANNUM, and that the same will be payable on and after Wednesday, the 2nd day of January, 1924.

The Transfer Books of the Corporation will be closed from Monday, the 17th day of December, until Monday, the 31st day of December, both days inclusive.

By Order of the Board of Directors.

A. D. LANGMUIR,
General Manager.

Toronto, November 27th, 1923.

The Trinidad Electric COMPANY LIMITED

NOTICE IS HEREBY GIVEN that a dividend of 1% for the quarter ending December 31st, 1923, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of January, 1924.

The transfer books of the Company will be closed from the 1st to the 10th of January, 1924, both days inclusive.

By order of the Board.

F. B. OXLEY,
Secretary.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st JANUARY, 1924,

to Shareholders of record on the books of the Company at the close of business on the 15th instant.

By order of the Board,

WALTER GILLESPIE, Manager.

Woods Manufacturing Company, Limited

PREFERRED STOCK DIVIDEND NOTICE

THE regular quarterly dividend of one and three-quarters (1¾%) per cent. on the PREFERRED STOCK OF WOODS MANUFACTURING COMPANY, LLIMITED, for the quarter ending December 31st, 1923, has been declared payable January 2nd, 1924, to shareholders of record December 27th, 1923.

By Order of the Board.

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, December 19th, 1923.

$1,816,561.5

CITY OF OTTAWA ONTARIO

Debentures for Sa

SEALED TENDERS addressed to the " man of the Board of Control," and "Tender for Debentures" will be receiv the Board's Secretary, City Hall, up to on Thursday, January 10th, 1924, for th chase of Debentures of the following and terms:—

$ 322,586.54	...10 years
$ 193,240.21	...15 years
$ 175,734.77	......20 years
$1,125,000.00	......30 years
$1,816,561.52	

All Debentures bear interest at the r 5½%, and are issued on the instalment That is to say each issue is repaid in annual amounts that the aggregate paid for principal and interest in any is equal as nearly as may be to the so payable for principal and interest i of the other years. Each Debenture is ever for a definite amount payable at the of some year with interest coupons atta payable semi-annually. Interest is payab 1st January and 1st July.

The Debentures are an obligation of th City at large, are issued in coupon form, w provision for registration of principal, date 1st July, 1923, and are in denomina tions of $1,000.00, with the exception of Lo cal Improvements and Provincial Suburba Roads, which will have such odd amounts are necessary.

The City has obtained the Legal Opinion of E. G. Long, Esq., K.C., of Long & Daly, To onto, on this issue, a certificate of whi will be printed on each debenture. The ten derer must include in the price offered th cost of the Legal Opinion.

The Debentures are payable both in th United States and Canada.

Debentures will be paid at the branches the Bank of Nova Scotia at Ottawa, Toront and Montreal, and payable in the Unit States at the National Bank of Commerc New York.

All tenders must be on the official for

Accrued interest from the 1st Januar 1924 must be paid in addition to the pr tendered. The Debentures date from Ju 1st, 1923, but coupons due January 1st, 19 will be cut off.

Tenders specifying for Debentures oth than those herein described, or containi conditions varying from the above, will be considered.

Delivery of the Debentures will be made, Ottawa, anytime desired by the purchas upon payment of the purchase money.

A certified cheque payable to the City Trea urer for the sum of $10,000.00 must acco pany the tender.

The highest or any tender not necessari accepted.

Full particulars, together with further co ditions and official forms of tender, can obtained on application to the City Treasur City Hall, Ottawa, Ont.

FRANK H. PLANT,
Mayo

International Petroleu Company, Limited

Notice of Dividend No. 5

NOTICE IS HEREBY GIVEN that dividend of 25c. United Stat Currency per share has been declar by the Directors of the Internation Petroleum Company, Limited, and th the same will be payable on or aft the 2nd day of January, 1924, in resp of the shares specified in any Bear Share Warrants of the Company up presentation and delivery of coup No. 5 attached to the said bearer Sha Warrants at the following banks:—

The Royal Bank of Canada,
60 Church Street, Toronto, Cana
The Farmers' Loan and Trust Compa
16-22 William Street, New York, N.
The Farmers' Loan and Trust Compa
Limited,
26 Old Broad Street, London, E.
England.

OR

The Offices of the International Petr leum Company, Limited,
56 Church Street, Toronto, Cana

The payment to Shareholders record whose shares are fully pai at the close of business on the 22 day of December, 1923, and whose sha are represented by registered Certi cates will be made by cheque, mai from the offices of the Company on t 31st day of December, 1923.

The Books of the Company will closed from the 24th day of Decemb 1923, to the 31st day of December, 19 inclusive and no Bearer Share Warra will be "split" during that period.

By order of the Board.

J. R. CLARKE,
Secreta

56 Church Street,
Toronto, Canada.
17th December, 1923.
I P 50

Laurentide Company Limi

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN th dividend of one and one-half cent. (1½%) has been declared u the Capital Stock of this Company the quarter ending December thi first, 1923, payable Wednesday, Janu second, 1924, to Shareholders of re at the close of business December fo teenth, 1923.

By order of the Board of Director

W. F. ROBINSON,
Secret

Montreal, December third, 1923.